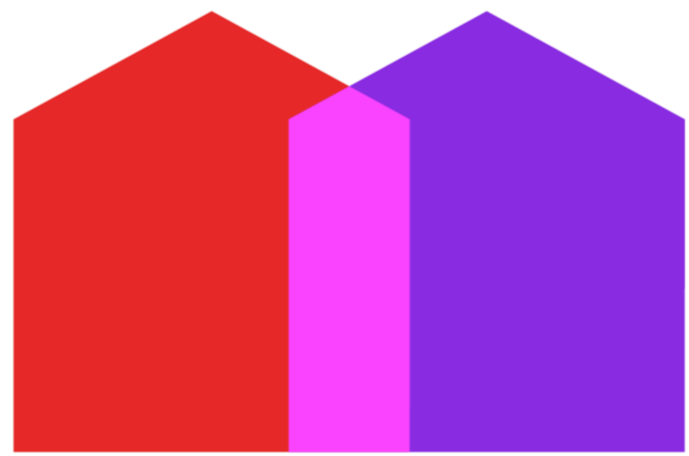
Inclusionary Zoning Assessment Report:

# Housing Need and Demand Analysis

[Draft] May 2019



TORONTO

# Table of Contents

# Summary

The City of Toronto is proposing to implement inclusionary zoning policies. Inclusionary zoning is a land-use planning tool that enables the City to require affordable housing units be included in new residential developments.

Ontario Regulation 232/18, which enables municipalities to implement inclusionary zoning, requires that an assessment report be developed that will be considered as part of the development of Official Plan policies. The assessment report must include an analysis of demographics, income, housing supply, and housing need and demand; current average market prices and rents; and analysis of the potential impacts of inclusionary zoning on the housing market.

This report forms part of the assessment report requirements by providing an analysis of demographics, income, and housing supply and demand, including current average market prices and rents. In undertaking this analysis, the City conducted research of key housing indicators from two previous census periods, 2006 and 2016, to identify trends over the past 10 years. Looking at data by census tract for both owners and renters, a number of key trends stand out.

**More households are renting compared to the past**

**Renters comprised 47%** of the City's households in 2016. Over the last 10 years, the number of renters in the City has increased at a greater rate compared to owners (17% compared to 5%), and young adults aged 20-34 and adults between 50-69 years comprised the biggest increase in renters. There was also an increase of young adults living in an owned home and a decrease in adults aged 35 to 49 years living in an owned home, which suggests that young adults could be staying in their family home longer, and then renting when they do leave home. The number of family owner households has also increased at a lower rate (5%) than family renter households (13%), indicating that more families are living in rental housing **either by choice or necessity**.

Census data also indicates that renters are more mobile and have less stability in housing compared to owners. In 2015 to 2016, 22% of renters moved compared to just 8.5% of owners. Furthermore, while the City has been experiencing strong economic and job growth, Toronto's unemployment rate was 8.2% in 2016, up 0.6% from 2006. The growth in unemployment could be putting additional pressure on the need for more affordability priced housing.

**The majority of rental housing is in multi-unit buildings**

In terms of the housing stock, over a quarter of ownership dwellings are in multi-unit buildings with five or more storeys, compared to 64% of rented dwellings. Approximately half of the City's rental housing stock is primary rental dwellings and approximately **18% are condominium rental units.** The remaining third are social housing units and non-condo secondary rentals (such as basement apartments). The number of rental dwellings has grown notably in the City's Centres and Downtown and Central Waterfront in particular. This growth in rental supply, which has predominately been through new condominium units that are used for rental purposes, has **not resulted in improved housing affordability in these areas**.

**Rents are increasing and households are spending more on housing than before**

The percentage of renter households paying more than 50% of their income on housing (23%) is almost double that of owners and has grown over the past 10 years by 21%. This growth is most pronounced in the Centres and Downtown. Rising asking rents has likely contributed to the growth in the number of households paying more than 50% of their income on housing. Purpose-built rental average market rents rose 21% in the past 5 years to reach **$1,372** across all unit types, and average condominium rents rose 34% during the same time period to reach **$2,337** across all unit types. In comparison, the average annual inflation rate during this time period was 1.7%. Based on City commissioned data, asking rents in the City for existing purpose-built rental housing are close to **40% higher** than average market rents as reported by the Canada Mortgage and Housing Corporation (CMHC) for purpose-built rental housing.

**There is limited availability in the rental market, especially for affordable rental housing**

The vacancy rate across all unit types in private rental housing was just **1.1%** in 2018. A closer look at these trends though reveals that some of the **lowest vacancy rates** are in private rental housing that have rents below 80% of average market rent. This points to how households in more affordably priced private market housing are either choosing not to move or unable to move as the gap between their current rent and asking rents would require significant increases to their housing costs. Given the **limited supply** of housing available at or below average market rents, households looking for housing today are left with little choice except to pay a significant percentage of their income on rent, and renters with lower incomes are therefore more likely to stay in lower quality units because they have been priced out of more suitable units.

**Many renter households are in unsuitable and unaffordable housing**

A fifth of renters were also in **unsuitable housing** (meaning their unit did not have enough bedrooms for all household members), compared to just 6% of owner households. A significantly greater proportion of renters aged 35-54 live in unsuitable housing compared to other age groups. This age group is the most likely to have children in their household, indicating that finding suitable rental housing for families in the city is a challenge. More renters (47%) are also in **unaffordable housing** (spending 30% or more of their income on housing) compared to owners (27%).

**Many renter households are unable to afford housing in Toronto**

In terms of income, data shows that household incomes for renters and owners varies considerably in the City, with median incomes for renter households ($45,385) **less than half** that of owner households ($92,168). Furthermore, 44% of renter households earn **less than $39,908/year** (the 30th percentile of household income in the City) compared to just 17% of owner households.

When looking at Toronto's asking and prevailing rents and ownership prices, it is clear that even rents for purpose-built rental units, let alone condominium ownership prices, are far out of reach for most renter households. This is demonstrated through an analysis of median incomes compared to the incomes needed to afford prices for resale and new condominium units and asking rents and average market rents for purpose-built rental units.

The results show that the renter median income could only afford the CMHC average market rent for a purpose-built rental bachelor unit. This income level **could not afford the average market rents for larger unit types**, nor the average asking rents or average ownership prices. The median income for an ownership household could only afford the average resale or new prices for bachelor condominium units, however this income level could afford the average and asking rents for all purpose-built rental unit types.

These findings indicate that condominium ownership and asking rents are **unaffordable to many of the City's renter households**. Based on City commissioned data, there are also very few options in the current rental market that are affordable to households with low or fixed incomes, and of the few options that are available, they are all **shared accommodation**.

### Some areas of the city are able to better support an inclusionary zoning requirement

Market data was also analyzed, along with findings from the financial viability analysis (undertaken separately), to conduct a 'strong market' check to determine areas that could potentially support the implementation of an inclusionary zoning policy. In order to be considered a strong market, the geographic area had to achieve at least fifty percent of the indicators that were assessed for that area, along with being determined to be an area where an inclusionary zoning requirement to provide affordable housing as part of a new development would not make development unfeasible. Indicators include strong prices/rents, strong escalation in prices, and a high number of units in the development pipeline,

The market analysis also led to the categorization of certain areas of the City as moderate markets or emerging markets. Moderate market areas did not meet the test for a strong market area, but are still areas where significant new development is being supported, for example through local planning frameworks. Emerging markets are areas of the City where significant new development is not occurring and prices and price growth have not been strong compared to the City as a whole.

### Conclusion

The findings from the comprehensive analysis undertaken in this report will be used to inform the development of an inclusionary zoning policy framework. As part of the consultation on the draft inclusionary zoning policy framework, areas for further analysis may be identified. This report will continue to be refined and supplemented throughout the policy development process.

# Background

## Purpose

The City of Toronto is proposing to implement inclusionary zoning policies. Inclusionary zoning is a land-use planning tool that enables the City to secure a percentage of residential units as affordable housing in new developments.

On April 11, 2018, Ontario Regulation 232/18 was enacted under the Planning Act to enable municipalities to implement inclusionary zoning. The regulation requires that prior to adopting inclusionary zoning polices, municipalities develop an assessment report that will be considered as part of the development of official plan policies. The assessment report must include analysis of housing need and demand, current average market prices and rents, and potential impacts on the housing market and on the financial viability of development.

This report forms part of the assessment report requirements by undertaking an analysis of demographic and housing need and demand trends. The analysis looks at population and household trends, income trends, housing supply, and housing costs and affordability, on a city-wide and area-specific basis.

Datasets can be found in Appendix 1.

## Sources of Information

Unless otherwise stated, the data used in this report is from Statistics Canada's 2006 and 2016 censuses. Other data sources noted throughout the report include Canada Mortgage and Housing Corporation (CMHC) rental and ownership market data; Toronto Real Estate Board and Altus market housing price data; and City data relating to proposed developments and other key indicators.

# Citywide Analysis

## Demographic Analysis

Demographic trends are important to highlight as past trends can help predict future housing need and demand. The following section provides context on citywide population trends, population projections, household trends, and labour and migration trends.

### Population growth

Toronto is continuing to grow. The City's population increased by 9.6% from 2006 to 2016. There were a total of 1,125,425 renters in 2016, an increase of 159,850 people, or 16.6%, from 2006. In comparison, the number of owners increased just 5.1% during that same time period, to reach 1,566,180 individuals living in ownership housing.

### Population trends

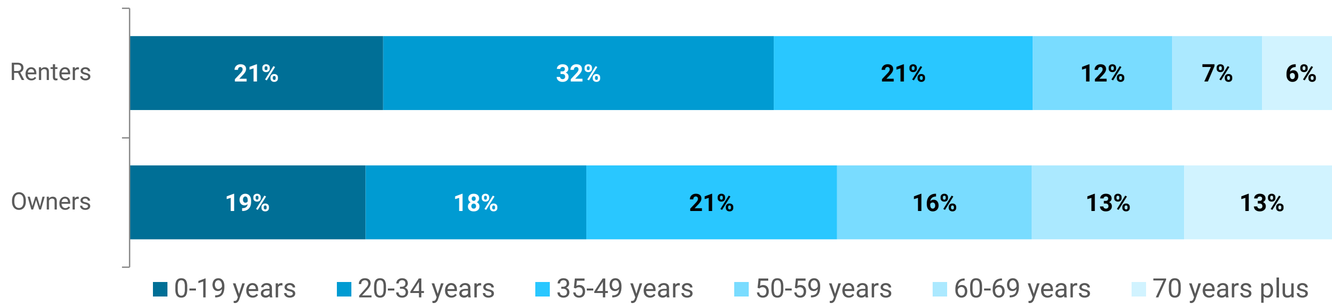
Trends by age group are important to highlight because different age groups have specific housing needs that factor into future housing demand. There was a notable increase in the number of individuals aged 20 to 34 years (18%), 50 to 59 years (22%), and 60 to 69 years (40%) from 2006 to 2016. The population aged 75 years and over has also increased over 15%.

When age groups are broken down by tenure, renters have had even more significant increases in most of the same population groups. The number renters aged 20 to 34 years increased 31% from 2006 to 2016 and the 50 to 59 years and 60 to 69 years age groups increased 36% and 49% respectively. The population aged 20 to 34 years comprised the largest proportion of Toronto's renter population in 2016 at 32%, which has increased slightly from 29% in 2006. This is notably higher than the proportion this age group comprises of the total population (24%).

Ownership trends differ somewhat from renter trends. The number of individuals aged 20 to 34 years that lived in an owned home increased 4.5% and the number of individuals aged 35 to 49 years decreased 9.5%.

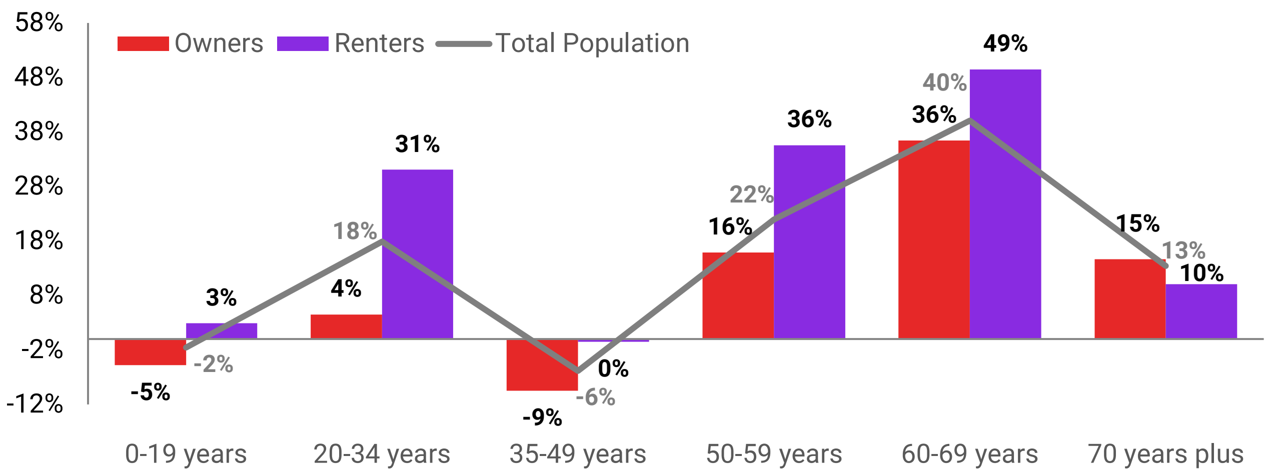
These findings indicate that renters in age groups that tend to have lower than average incomes (such as young adults aged 20 to 34 years and seniors) are increasing significantly, as are the number of renters overall compared to owners.  The analysis highlights that young adults are likely staying in their parent's home longer (considering the increase of number of individuals aged 20 to 34 years that lived in an owned home) and then renting when they do leave home (as shown by the decrease in the number of individuals aged 35 to 49 years in an owned home). These trends also indicate declining ownership amongst those under 50 years of age.

Figure 1. Proportion of Population by Age Group and Tenure, 2016




Source: Statistics Canada, 2016 Census, Customised Table

Figure 2. Population Change by Age Group and Tenure, 2006-2016



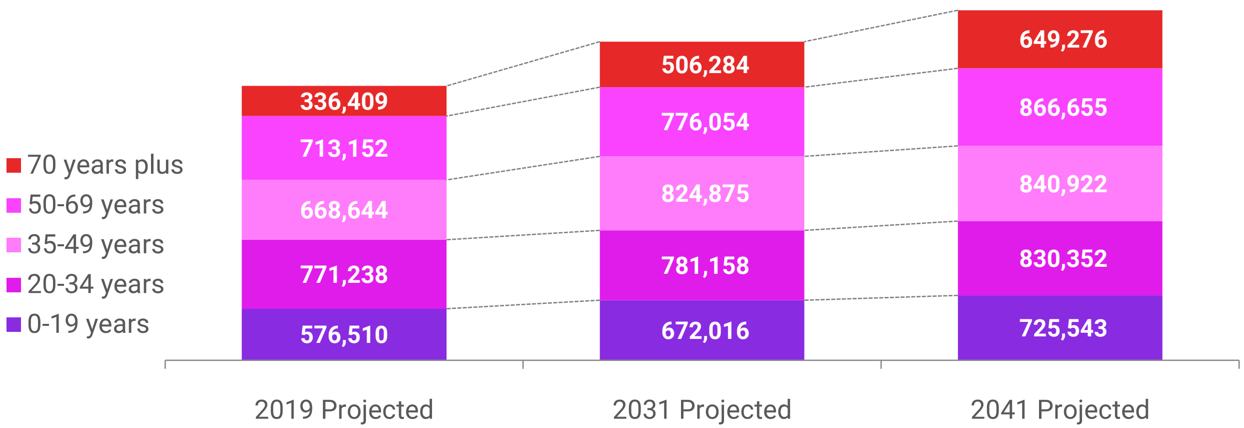

Source: Statistics Canada, 2006 and 2016 Census, Customised Table

## Population projections

According to the Ontario Ministry of Finance Population Projections Update for 2017-2041, Toronto's population is expected to reach 3,560,000 by 2031 and 3,913,000 by 2041. Using Ontario Ministry of Finance 2019 population projection estimates, the age group expected to see the most significant change is seniors aged 70 years and older. This group is expected to increase by 93% (312,867 people) from 2019 to 2041. The remaining age groups will increase at similar rates (approximately 22% to 26%), except for those aged 20 to 34 years. This age group is projected to increase by only 7.7% from 2019 to 2041.

The population projection trends indicate that Toronto's population will be aging significantly, and young adults (those aged 20 to 34 years) may be choosing to live elsewhere as this group will not increase at nearly the same rate as the other population groups. Population growth will put increasing pressure on the housing market. A range of housing options will be needed to address this pressure and meet demand.

Figure 3. Population Projections by Age Group, 2017




Source: Ministry of Finance Population Projections, Table 10.1.

### Household tenure

Household trends can help predict the amount of housing that will be needed. By tenure, Toronto's population is almost evenly split between owners and renters: in 2016, 47% of all households were renters and 53% were owners.

The proportion that renter households comprised of all households has increased from 45.5% in 2006. The number of renter households in Toronto has also increased – this household group increased 19% from 2006 to 2016, compared to a 10.5% increase in ownership households and a 14% increase in all households regardless of tenure. The growth in renters is continuing to place increasing pressure on the need for rental housing in Toronto.

### Household type

The proportion of family households to non-family households decreased from 2006 to 2016. Family households have decreased from 65% of all households in 2006 to 61.5% in 2016, while the proportion of non-family households has risen correspondingly.

The number of both family and non-family households continues to increase however, although the number of non-family households has increased at a much higher rate (24%) than the number of family households (8%), indicating that individuals are choosing to live alone or with roommates at higher rates than with a spouse/ long-term partner and/or children.

By tenure, the number of family owner households has increased at a lower rate (5%) than family renter households (13%), indicating that more families are living in rental housing, either by choice or necessity.

A *census family household* is defined by Statistics Canada as a married or common law couple, with or without children; or a lone parent of any marital status with at least one child living in the same dwelling.

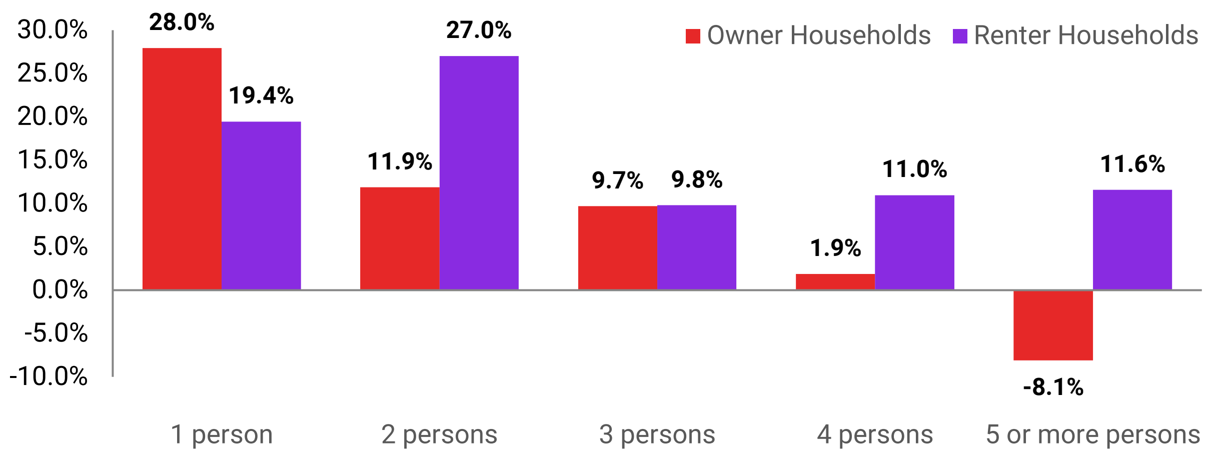
### Household size

Household size trends indicate that the number of smaller households is continuing to grow, and Toronto's households are getting smaller overall. For the city as a whole, one person and two person households each comprise about a third of all households.

From 2006 to 2016, the number of one- and two-person renter households have increased the most, at 19% and 27% respectively. One-person renter households also comprised the largest proportion of all renter households, 41%, in 2016, followed by two-person households at 30%. For owner households, households with one- and two-persons have also increased the most, at 28% and 12% respectively.

These trends may indicate a growing need for housing for smaller households or may also be a symptom of the majority of new housing supply that has been built being bachelor and one-bedroom units.

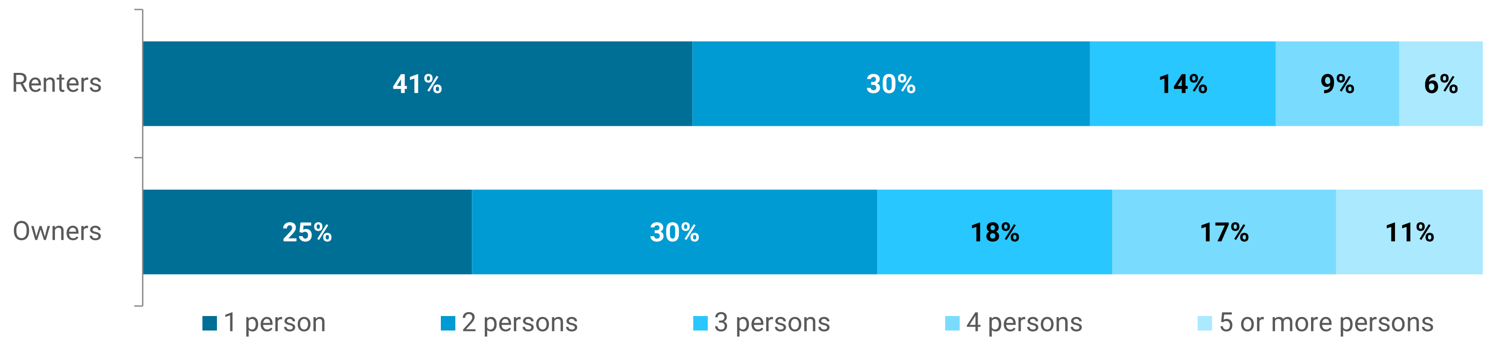
**Figure 4. Change in Households by Size and Tenure, 2006-2016**




Source: Statistics Canada, 2006 and 2016 Census, Customised Table

Also of note however, while 45% of owner households have 3 or more persons per household, compared to just 29% of renter households, the number of larger renter households has increased a greater rate than the number of larger owner households. From 2006 to 2016, there was an 11% increase each for 4 and 5+ person renter households, compared to 2% increase in 4 person owner households and 8% decrease in 5+ person owner households. This trend could indicate that larger renter households, such as families, are struggling to find suitable ownership housing they can afford. This trend is also putting increasing pressure on the supply of larger rental units.

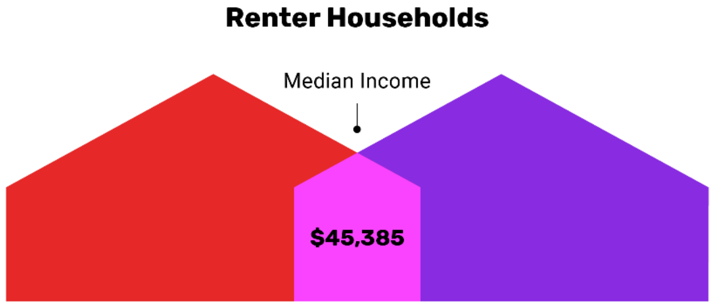
Figure 5. Proportion of Households by Size and Tenure, 2016




Source: Statistics Canada, 2016 Census, Customised Table

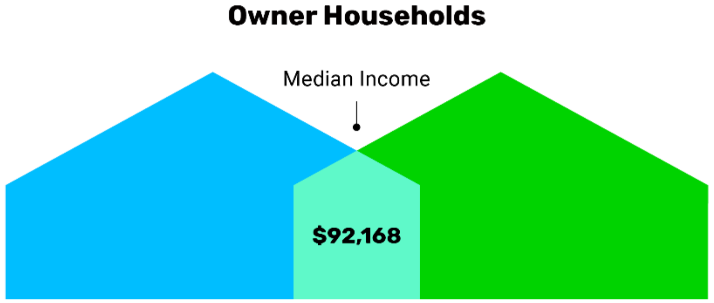
## Income Analysis[1,2]

Income trends help to identify housing affordability considerations for owners and renters. The following section analyses median income, income decile, and prevalence of low-income trends.




### Median income

Median incomes for renters and owners differ considerably. In 2015, the median income for renter households ($45,385) was less than half the median income for owner households ($92,168). However, median incomes for renters increased at a slightly higher rate (27.4%) from 2005 to 2015 compared to owners (24.1%).




### Income deciles

Deciles divide the number of households into 10 equal groups. Income deciles are the income bands associated with those groups. Renter households are significantly underrepresented in the top three total household income deciles for Toronto, and overrepresented in the lowest three deciles. As shown below, 44% of renter households were in the first three total household income deciles (earning less than $39,908/year) in 2016.

[1] The Statistics Canada Census reports on annual incomes for the year prior to the census year. Thus, the 2006 and 2016 Censuses report 2005 and 2015 annual incomes.

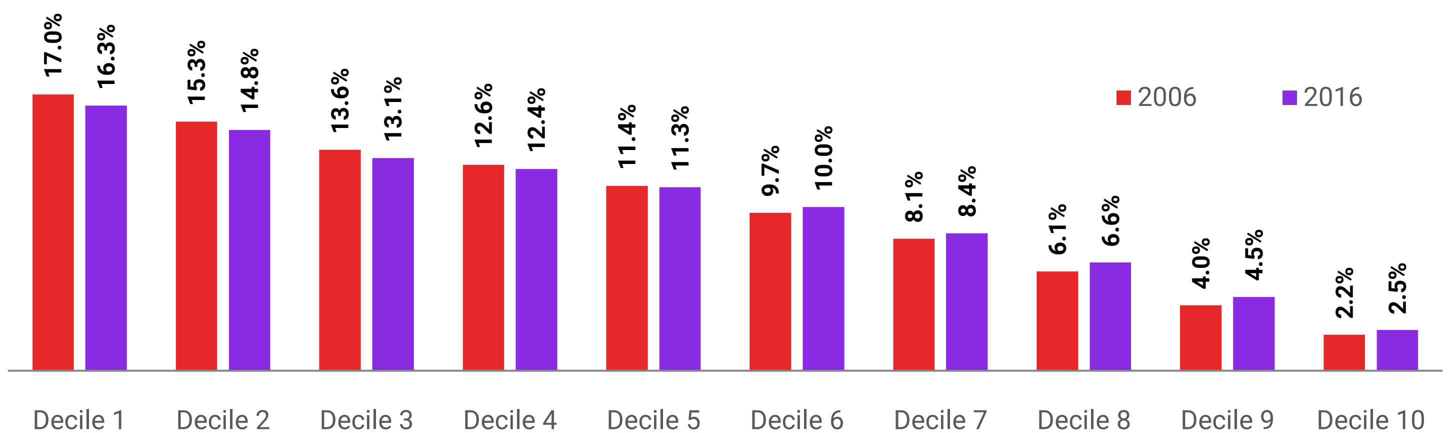
[2] 2005 and 2015 incomes have not been adjusted to account for inflation (average of 1.7% annually according to Statistics Canada Consumer Price Index (CPI) statistics).

Another third of renter households were in the fourth to sixth income deciles, earning between $39,908 and $82,060 a year. The number of renter households in the upper income deciles has increased at higher rates than the number of renter households in the lower income deciles. This finding may indicate that some higher income households are making the choice to rent long-term or are staying longer in rental housing due to the high cost of ownership housing.

In comparison, over half (56%) of owner households earn more than $82,060/year (the 60th income percentile and higher). Just 17% of owner households were in the first three total household income deciles, and over a quarter were in the fourth to sixth income deciles. However, the number of owner households in the lower half of total household income deciles has increased at slightly higher rates than owners in the upper half deciles.

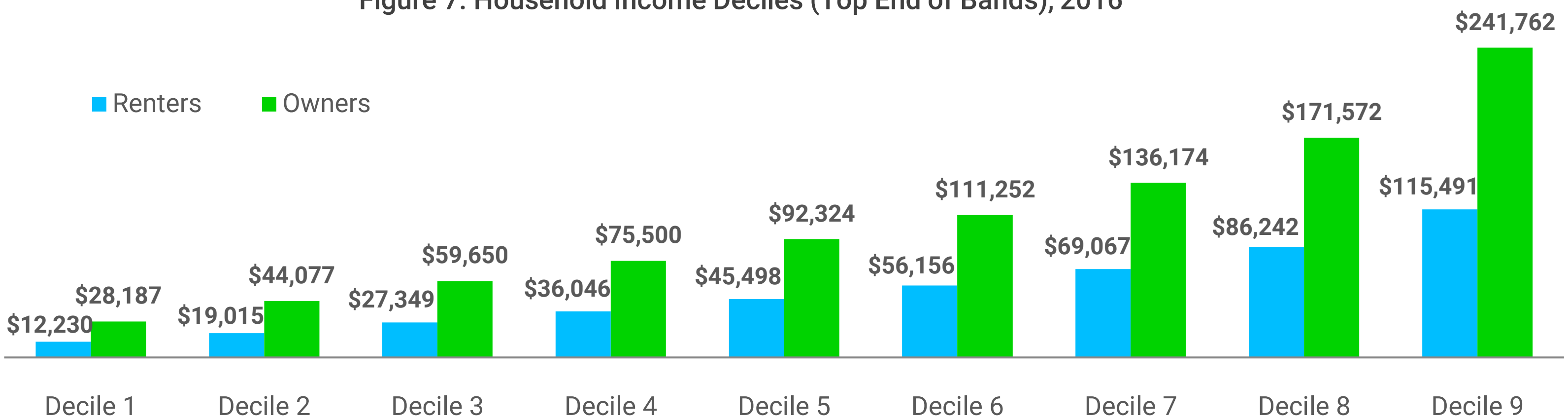
Households in the first three renter household income deciles earn less than $27,350/year. Households in the fourth to sixth renter household income deciles earn between $27,349 and $56,156 a year.

Figure 6. Change in Renter Households by Income Decile, 2006-2016




Source: Statistics Canada, 2006 and 2016 Census, Customised Table

Figure 7. Household Income Deciles (Top End of Bands), 2016




Source: Statistics Canada, 2016 Census, Customised Table

## Prevalence of low income

Using Statistics Canada's Low-Income Cut-Offs (LICO[3]) after-tax, 469,330 persons were considered to be in low income in 2015 (for example, earning less than $24,811/year after-tax for a two-person household).

The number of individuals considered to be in low income has decreased from 2005 by 9,380 people though, and the prevalence of persons in low income has dropped from 19.4% of the City's population in 2005 to 17.4% in 2015. Although this is a positive trend, over a sixth of the population is still in low income, indicating there is likely a strong need for affordable housing for these individuals.

[3] LICO is defined by Statistics Canada as income levels at which families or persons not in economic families spend 20% more than the average of their after tax income on food, shelter and clothing.

## Housing Supply Analysis

A housing supply analysis looks at the housing options available to all types of households. Toronto's housing supply includes both private market housing and non-market housing. Private market housing includes affordable housing and ownership and rental market housing. Affordable housing is not subsidized, but may receive funding or incentives for construction. Non-market housing includes short-term accommodation such as emergency shelter beds and transitional housing, as well as longer-term subsidized accommodation including supportive housing (congregate or independent living with supports) and social housing.

The following section provides an overview of private market housing, and takes a deeper look at rental market trends.

The City's definitions for affordable, mid-range, and high-end housing are[4]:

Affordable rental housing: housing where the total monthly shelter cost is at or below one times the average market rent for the City of Toronto, by unit type (number of bedrooms), as reported annually by the Canada Mortgage and Housing Corporation.

*Mid-range rental housing:* housing where the total monthly shelter costs exceed affordable rents but fall below one and one-half times the average market rent for the City of Toronto, by unit type (number of bedrooms), as reported annually by Canada Mortgage and Housing Corporation.

*High-end rental housing:* housing where the total monthly shelter costs exceed one and one-half times the average market rent for the City of Toronto, by unit type (number of bedrooms), as reported annually by Canada Mortgage and Housing Corporation.

*Affordable ownership housing:* housing which is priced at or below an amount where the total monthly shelter cost (mortgage principal and interest – based on a 25-year amortization, 10 per cent down payment and the chartered bank administered mortgage rate for a conventional5-year mortgage as reported by the Bank of Canada at the time of application – plus property taxes calculated on a monthly basis) equals the average City of Toronto rent, by unit type, as reported annually by the Canada Mortgage and Housing Corporation. Affordable ownership price includes GST and any other mandatory costs associated with purchasing the unit.

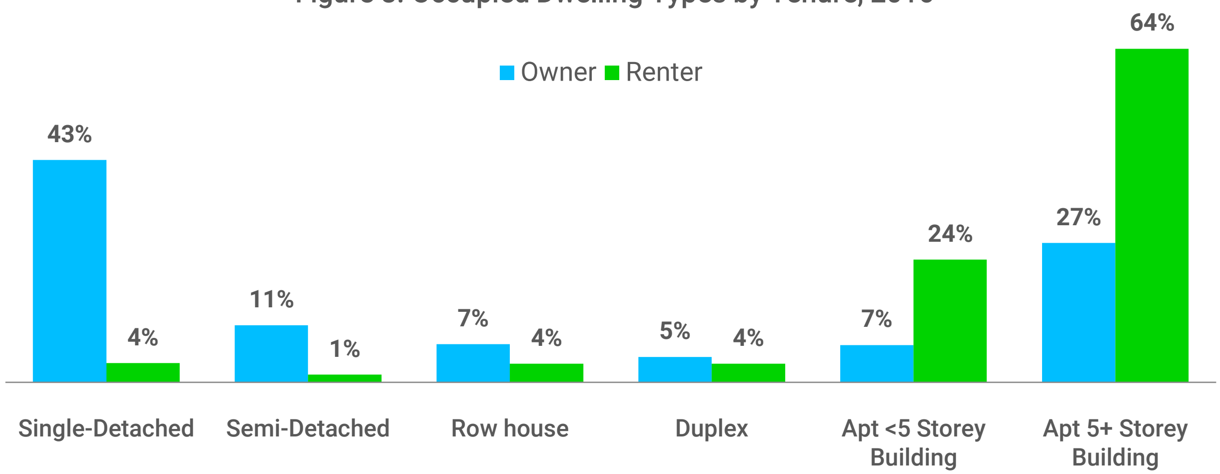
[4] Total monthly shelter cost is the gross monthly rent including utilities – heat, hydro and hot water – but excluding parking and cable television charges

### Housing stock[5]

The largest proportion of Toronto's housing stock are apartments in multi-unit buildings with five or more storeys. These apartments comprised over 44% of the stock in 2016. Another 36% of the City's housing stock were single-detached, semi-detached, and row houses. Apartments in low rise buildings (duplexes and multi-unit buildings with less than five storeys) comprised the remaining fifth of the stock.

The City's stock of multi-unit buildings with five or more storeys increased by 30% from 2006 to 2016, compared to a 14% increase in housing stock overall and just a 3% increase in the low-rise stock (single-detached houses, semi-detached houses, row houses, duplexes and multi-unit buildings with less than five storeys). This indicates that a large portion of the City's new housing supply over the past decade has been in mid and high-rise developments.

Figure 8. Occupied Dwelling Types by Tenure, 2016




Source: Statistics Canada, 2016 Census, Customised Table

[5] All data in this sub-section refer to occupied dwellings.

Broken down by tenure, 64% of rental dwellings were in multi-unit buildings with five or more storeys. The remainder (36%) were in low-rise buildings, although the majority of these are in low-rise multi-unit buildings.

Just 12% of renter dwellings were single-detached, semi-detached, and row houses and duplexes. The breakdown of rental housing by private dwelling type has not notably changed since 2006, although the proportion of rentals in low-rise stock overall has decreased from 39% in 2006 to 36% in 2016.

In 2016, 66% of ownership dwellings were single-detached, semi-detached, row houses, and duplexes. Another 27% were in multi-unit buildings with five or more storeys. The number of ownership dwellings in multi-unit buildings with five or more storeys has increased by 48% since 2006, whereas the number of ownership single and semi-detached houses has actually declined. This data confirms that most of the City's new ownership supply over the past decade has been in mid and high-rise condominium developments.

## Condominium housing characteristics

In 2016, 26% of Toronto households were in condominium dwellings. Broken down by tenure, 18% of renters lived in condominium units in 2016, compared to a third of owners. In 2017, 35% of all condominium units were used for rental purposes.

## Rental housing characteristics

Private market rental accommodation is found in both primary rental housing and secondary rental housing. Primary rental is housing that is purpose-built for rental purposes, and secondary market housing includes other types of rental such as condominium units that are rented, mixed use properties that contain commercial and residential spaces, and house rentals and secondary suites. Secondary market rental housing can be brought online more quickly to meet demand compared to purpose-built rental housing, however there is less stability as secondary market rental housing can just as easily be converted to another use.

According to CMHC rental data, there were 261,873 private market primary rental[6] units and 92,658 condominium rental units in 2016. Considering there were 525,825 renter households in 2016, approximately half of the rental housing stock in the City are primary rental units and half are secondary market rentals. Of the secondary market rentals, approximately a third are condominium rental units and two thirds are social housing units and non-condo secondary rentals (such as basement apartments).

[6] Rental housing in privately initiated, purpose-built apartment and row house structures of three units or more

### Purpose-built rental universe by rent

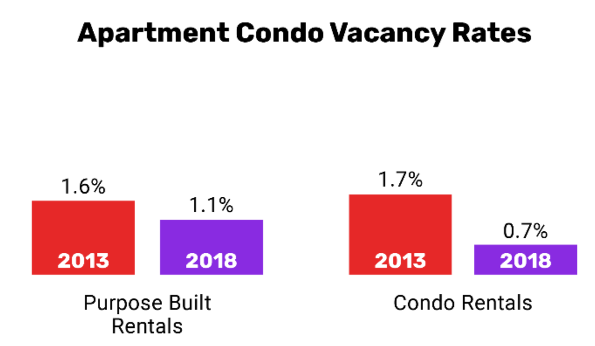
In 2018, there were 152,119 private market purpose-built rental units in Toronto with rents that fell under the City's affordable rent thresholds (100% of AMR). There were a further 89,314 units that had mid-range rents (between 100% and 150% of AMR). The remaining units generally had rents above mid-range. This suggests that the majority of rents for sitting tenants in purpose-built rental units are below the City's affordable rent thresholds.

From 2013 to 2018, the number of units with rents either between 81% and 100% of AMR or above mid-range rents have decreased by 20% from 2013 to 2018, while units with mid-range rents have increased by 4%. Of note, the number of three-bedroom mid-range units have increased by 22%. These numbers indicate that the City's stock of affordable purpose-built rental housing is shrinking, and little new purpose-built rental housing, which typically have higher market rents, is coming online. The number of larger mid-range purpose-built rental units are likely increasing because of a lack of supply and increased demand is starting to drive up rents.

### Rental vacancy rates

Toronto has had low vacancy rates for purpose-built rental housing for many years, however the vacancy rates across all purpose-built rental unit types was just 1.1% in 2018, compared to 1.6% in 2013. The 2018 vacancy rates were as low as 0.8% for three-bedroom units. The highest vacancy rate in 2018 was for bachelor units at 1.6%, which is still notably lower than the 3% vacancy rate threshold that is typically thought to be a healthy vacancy rate as it represents an adequate supply of rental housing to meet demand while providing enough housing.

Vacancy rates for condominium units that are rented were even lower, at 0.7% across all units in 2018 and 2017, compared to 1.7% in 2013.




Vacancy rates for purpose-built rental units with rents between 81% and 100% of AMR have decreased from 2013 to 2018, while vacancy rates for mid-range and above units have generally increased during this time period.

Of note, 2018 vacancy rates for units with above mid-range rents across all unit types exceed 3% and reach as high as 4.8% for two-bedroom units. Units with rents above mid-range have consistently had the highest vacancy rate, potentially indicating that these units could be unaffordable to larger households and thus not renting as quickly.

In a tight rental market there is high competition for all types of rental units, resulting in limited selection and high rents for units that do become available. Renters with lower incomes are therefore more likely to stay in lower quality units because they have been priced out of more suitable units.

**Rental market listings**

A City-commissioned web scrape of rental housing listed for rent in Toronto was conducted between October 31 and November 15, 2018 to analyze asking rents, rental unit types, and the geographic distribution of units listed for rent on four popular public rental listing websites. 9,000 unique rental listings were analyzed, of which 71% (6,397 listings) were for self-contained units and 29% (2,603 listings) were for rooms in shared accommodation. A sub-sample of 3,212 listings was also created to analyze the distribution of listed rentals by accommodation type and the proportion of listings with utilities included in asking rents.

Key findings from the survey regarding listings for self-contained units include:

- **14%** were primary rentals[7]
- **46%** were condo rentals
- **40%** were non-condo secondary rentals
- A third were two-bedroom and two-bedroom plus den listings
- Just under 20% were three-bedroom listings

In terms of listings for shared accommodation, 58% of these listings were in non-condo secondary rentals and another 31% in condo rentals.

The 2018 survey also collected data on shared rooms (where a room/space is being rented to share with another person). These listings formed 8% of all shared accommodation listings and 2.4% of the total 9,000 rental listings surveyed.

These findings suggest that secondary rentals are more likely to public rental listing websites to advertise units for rent and the majority of self-contained rental listings are for units not suitable for large families. The findings also indicate that shared accommodation is a central component of Toronto's affordable rental stock, although this stock is also suitable for

[7] Primary rentals may rely more heavily on their own listing websites to advertise for units, as opposed to public rental listing websites such as Kijiji

only one segment of the rental market (i.e. unattached individuals).

## Housing construction[8]

After a long period of little new purpose-built rental housing supply being built in Toronto, purpose-built rental completions increased significantly in 2018 compared to the previous 5 years, at nearly double the next highest year for rental completions. In 2018, 2,472 rental units were completed. In 2017, just 815 rental units were completed and in 2016 this number was at 1,357. Of the 2,472 completions in 2018, 361 (15%) were assisted/affordable housing[9].

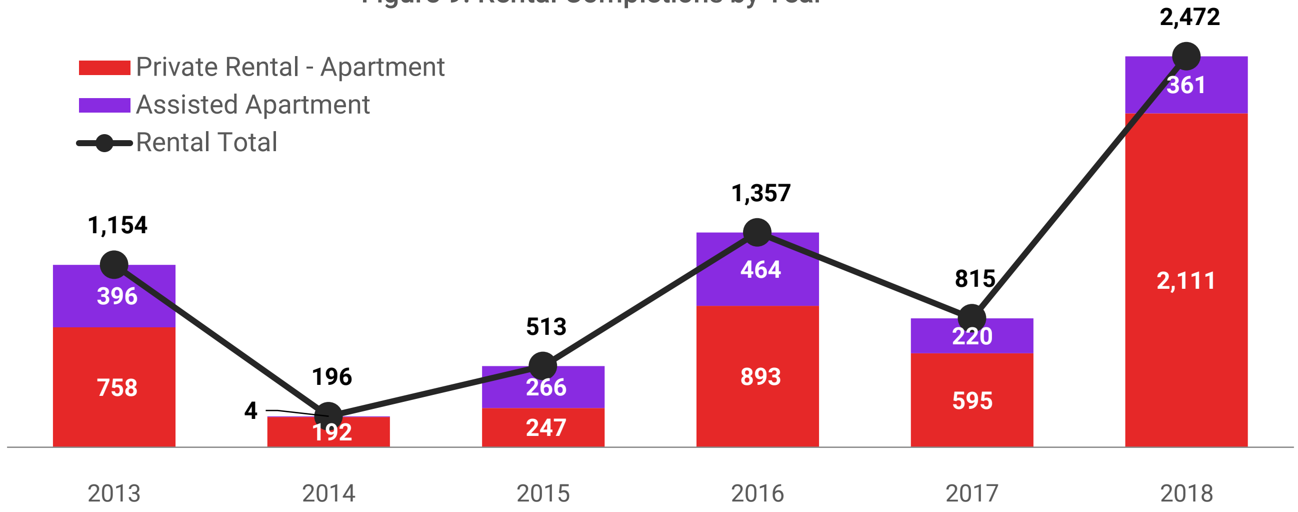
Rental housing construction is also increasing. According to Urbanation data, there are 9,479 purpose-built market rental units currently under construction, which is a 37% increase compared to the same period last year. Compared to four years earlier, there is an increase of 82% in purpose-built market rental units under construction. Furthermore, there were 33,681proposed purpose-built rental units in the first quarter of 2019, a 26% increase compared to the same period last year and a 172% increase compared to four years earlier.

However, there were 11,816 condo completions in 2018, which represents nearly three-quarters of all completions in the City. This data shows that condominiums, by far, continue to form the majority of new housing built in Toronto. Considering that the number of Toronto renter households grew by 82,995 households from 2006 to 2016 but only 6,507 new purpose-built rental units were completed in the past 6 years, new rental housing supply for this household growth has mainly been in the secondary rental market. Furthermore, while rental housing construction is increasing, rising rents and declining vacancy rates indicate that this additional supply is not enough to meet the demand.

[8] Rental completions data are net numbers, where the number of completed number of units completed is net of units demolished.

[9] "Private Rental" units are units produced by the private market. "Assisted Rental" units include social housing units or other forms of below-market housing which are subsidized.

Figure 9. Rental Completions by Year




Source: Canada Mortgage and Housing Corporation, Completions and Starts Survey

## Housing Need

Access to affordable, adequate and suitable housing is key to a healthy, complete community and the well-being of its residents. Some households struggle to access housing that meets their needs however. This section provides an overview of Toronto household's spending on housing, core housing need, and housing affordability challenges.

### Shelter cost to income

18% of all households in Toronto are spending more than 50% of their income on housing costs. When broken down by tenure, 23% of renter households and 12% of owner households are spending more than 50% of their income on housing costs. These proportions have stayed at the same level since 2006, however the actual number of renter households spending more than 50% of their income on housing costs has increased 21% and 12% for owner households.

Housing is considered affordable if the household spends less than 30% of their total before-tax income on housing costs.

### Core housing need

Almost a fifth (19%) of renter households were in unsuitable housing in 2016, compared to just 6% of owners. This proportion of renters in unsuitable housing has dropped from 24% in 2006 however, and the actual number of renters in unsuitable housing has gone down by 7.2%.

More renters are in unaffordable housing compared to owners as well - 27% of owners compared to 47% of renters.

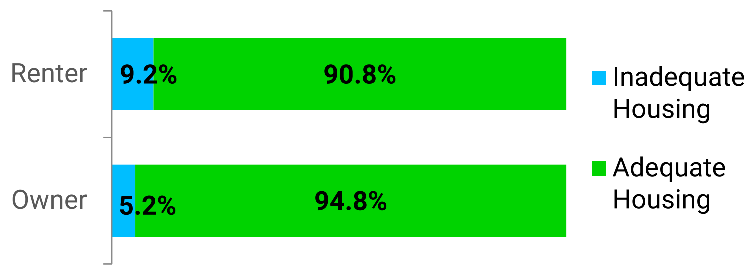
Broken down by household type, 56% of non-family renter households were in unaffordable housing in 2016 while approximately a third of renter family households were in unaffordable housing. On the ownership side, over 40% of non-family owner households were in unaffordable housing, compared to 22% of family owner households. While this data shows that family households are more likely to be in affordable housing, they may also be in housing that is unsuitable as a result of choosing an affordable option.

Statistics Canada's definitions for unsuitable and unaffordable housing are:

*Unsuitable Housing:* a household is in unsuitable accommodations if their dwelling does not have enough bedrooms for all of the occupants, as calculated according to the National Occupancy Standard.

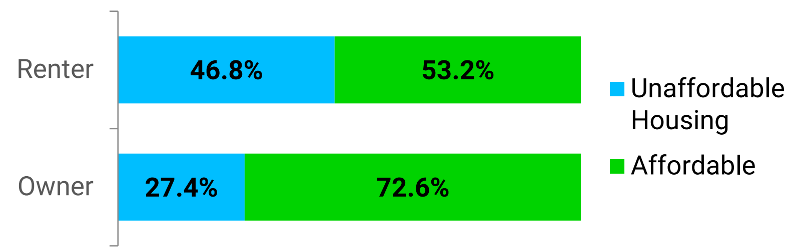
*Unaffordable Housing:* a household is in unaffordable housing if they spend 30% or more of their total household income on shelter expenses (includes utilities, mortgage payments/rent, condominium fees, and property taxes).

Figure 10. Inadequate Housing by Tenure, 2016




Source: Statistics Canada, 2016 Census, Customised Table

Figure 11. Unaffordable Housing by Tenure, 2016




Source: Statistics Canada, 2016 Census, Customised Table

By age of the household maintainer, renters in the 35-54 year age group reside in unsuitable housing at a far greater proportion than other age groups (over a quarter of the age group). This is likely because this age group is the most likely to have children in their household, indicating that finding suitable rental housing for families in the city is a challenge.

Younger (aged 15-24 years) and senior (65 years and over) renter households are more likely to be in unaffordable housing. Three-quarters of young renter households and approximately 60% of seniors renter households are in unaffordable housing, compared to around 40% of households aged 35 to 64 years.

## Housing affordability

As previously noted, in 2015, the median income for renter households was $45,385 and the median income for owner households was $92,168. As shown in Table 1, the median income for a renter household ($45,385) could only afford the CMHC average market rent for a purpose-built rental bachelor unit. This income level could not afford the average market rents for larger unit types, nor the average asking rents or average ownership prices. The median income for an ownership household ($92,168) could also only afford the ownership average prices for resale or new bachelor units, however would be able to afford average and asking rents for any of the unit types.

With the data showing that average condominium ownership prices and average asking rents are unaffordable to many of the City's renter households, these demonstrate that there is a disconnect between incomes and housing costs in Toronto, meaning that many of the City's low and moderate income households likely struggle to find suitable and adequate housing they can afford. Considering that at least half of Toronto's renter households cannot afford nearly all of the prices and in rents noted in the table below, the majority of low and moderate-income households in Toronto are likely experiencing housing affordability issues.

**Table 1. Income Needed to Support Typical Prices* and Rents**, 2018**

| | Resale Condo Prices | Income Needed | New Condo Prices | Income Needed | Asking Rent*** | Income Needed | CMHC Average Market Rent*** | Income Needed |
|---|---|---|---|---|---|---|---|---|
| **Bachelor** | $383,421 | $88,715 | $396,216 | $91,675 | $1,399 | $55,960 | $1,089.00 | $43,560 |
| **One-Bedroom** | $495,920 | $114,744 | $440,240 | $101,861 | $1,738 | $69,520 | $1,270.00 | $50,800 |
| **Two-Bedroom** | $633,774 | $146,640 | $660,360 | $152,792 | $2,026 | $81,040 | $1,492.00 | $59,680 |
| **Three-Bedroom** | $587,815 | $136,007 | $836,456 | $193,537 | $2,298 | $91,920 | $1,674.00 | $66,960 |
| **Total** | **$581,145** | **$134,463** | **$809,935** | **$187,400** | **$1,912** | **$76,480** | **$1,372.00** | **$54,880** |

Source: TREB, Realnet (Altus), and Urbanation Market Data, 2018; City-commissioned Rental Market Survey Data, 2018

* Income needed for ownership housing prices based on:
  - Spending maximum of 30% of gross income on housing costs (the housing affordability threshold)
  - Standard inputs for amortization period, down payment, interest rate and taxes

** Income needed for rental housing based on:
  - Spending maximum of 30% of gross income on housing costs (the housing affordability threshold)

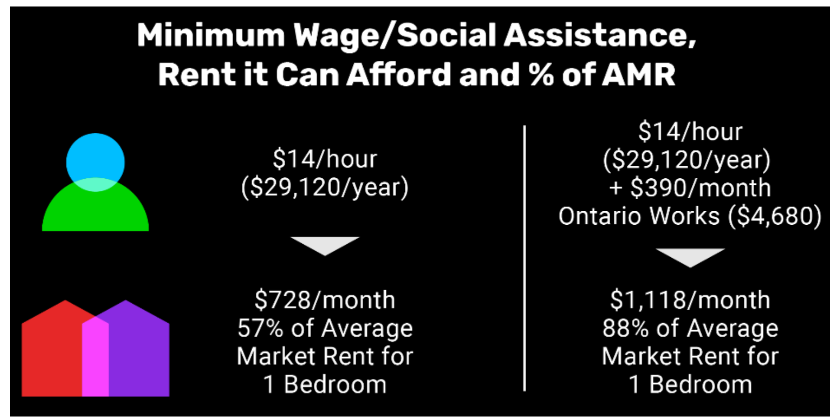
*** Asking rents for purpose-built rental units only

**** CMHC average market rents represent average rents for both vacant and occupied purpose-built rental units

Furthermore, the average condominium resale price increased an average of 13% annually over the past five years and average market rents rose an average of 4% annually over that same time period, although they have been increasing at greater rates in more recent years, whereas median household incomes have only risen an average of 2.5% annually in the past decade. With housing prices and rents rising notably faster than incomes, the lack of balance between housing costs and incomes is having a significant impact on housing affordability in Toronto.

### Housing affordability for fixed incomes

Minimum wage for the Province of Ontario is $14/hour. Even working full time at 40 hours a week, a minimum wage salary can only afford $728/month on housing costs (assuming spending 30% of income on housing). The maximum shelter allowance under Ontario Works is $390/month for a one-person household. As shown in the asking rent data, there are very few options in the current rental market at these rent levels, and of the few options that are available, they are all shared accommodation.



# Area Analysis

## Incomes and Housing Costs

As shown in Figure 12 below, areas where the majority (more than 60%) of households are renters tend be concentrated along major transit lines and educational institutions. In particular, renters generally live in Downtown Toronto, Midtown Toronto up to Yonge and Eglinton, the High Park area, along Finch West and around York University, parts of south Etobicoke, the Don Mills-York Mills area, the Sheppard Corridor, and around Scarborough City Centre and parts of south Scarborough.

When median income data is mapped, as shown in Figure 13, the data indicates that renter household median incomes across the City generally fall within the 'moderate' renter income range, which for the purposes of this analysis is the 30th to 60th renter household income deciles ($27,350 to $56,156 per year). Renter household median incomes in 428 of the 572 census tracts fall within this range.

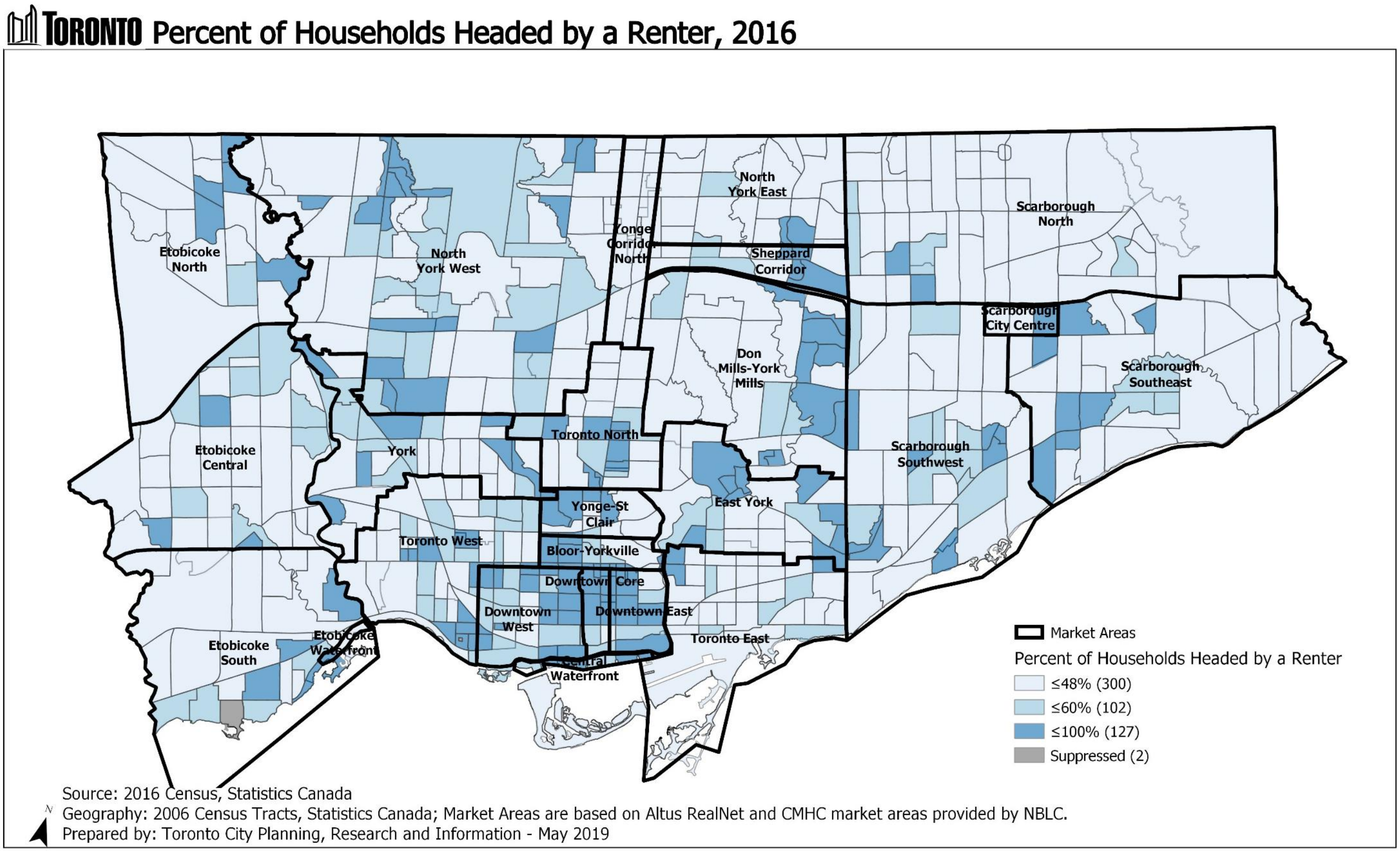
While median renter household incomes do not vary considerably across the City, the amount of income that renters spend on housing costs does vary considerably.

Figure 14 depicts the number of renter households in the City of Toronto spending more than 50% of their income on housing costs by census tract. As shown in this figure, the top 10% of census tracts with the highest numbers of renter households spending more than 50% are concentrated in the following market areas: Yonge Corridor North, Sheppard Corridor, Toronto North, Yonge-St. Clair, Bloor-Yorkville, Downtown Core, Downtown West, Downtown East, Central Waterfront, and Etobicoke Waterfront.

These areas are important to highlight because the rental housing costs may be high in these areas while renter household incomes may be at or below the median. Figure 4 adds to this analysis by highlighting median monthly shelter costs for renter households across the City. The moderate renter income range ($27,350 to $56,156 per year) can afford monthly rents of $684 to $1,403/month.

As shown in Figure 15, median monthly renter shelter costs beyond that range are concentrated in similar areas as the areas with the highest numbers of renter households spending more than 50% of their income on housing. In particular, median monthly renter shelter costs are highest in North York East, Yonge Corridor North, the Don Mills-York Mills area, Midtown Toronto, the Downtown, and south Etobicoke.

Figure 12.



TORONTO Percent of Households Headed by a Renter, 2016
Etobicoke North
North York West
Yonge Corridor North
North York East
Sheppard Corridor
Scarborough North
Scarborough City Centre
Don Mills-York Mills
Scarborough Southeast
Etobicoke Central
York
Toronto North
Scarborough Southwest
East York
Yonge-St Clair
Toronto West
Bloor-Yorkville
Downtown Core
Downtown West
Downtown East
Toronto East
Etobicoke South
Etobicoke Waterfront
Central Waterfront
Market Areas
Percent of Households Headed by a Renter
≤48% (300)
≤60% (102)
≤100% (127)
Suppressed (2)
Source: 2016 Census, Statistics Canada
Geography: 2006 Census Tracts, Statistics Canada; Market Areas are based on Altus RealNet and CMHC market areas provided by NBLC.
Prepared by: Toronto City Planning, Research and Information - May 2019

Figure 13.

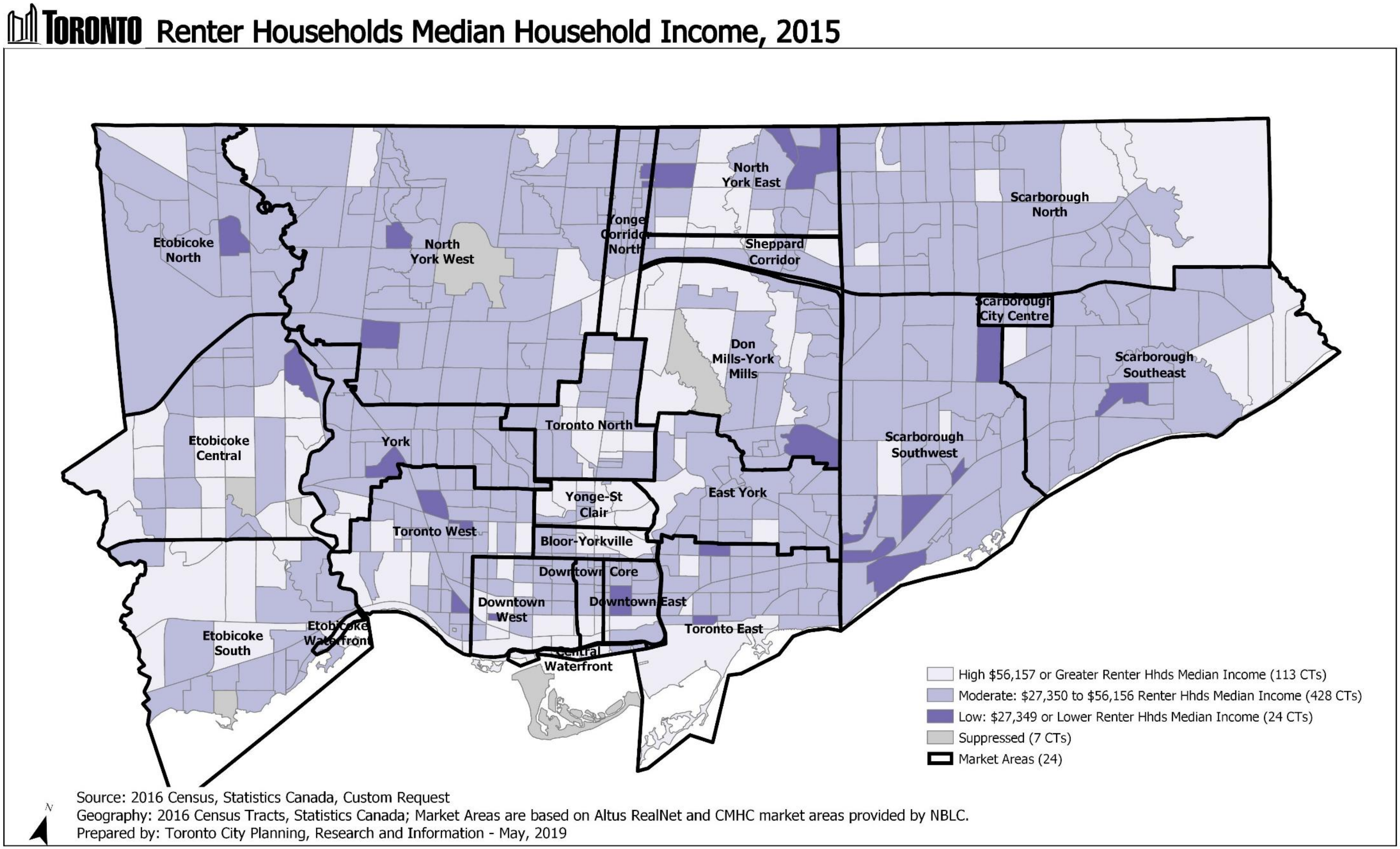
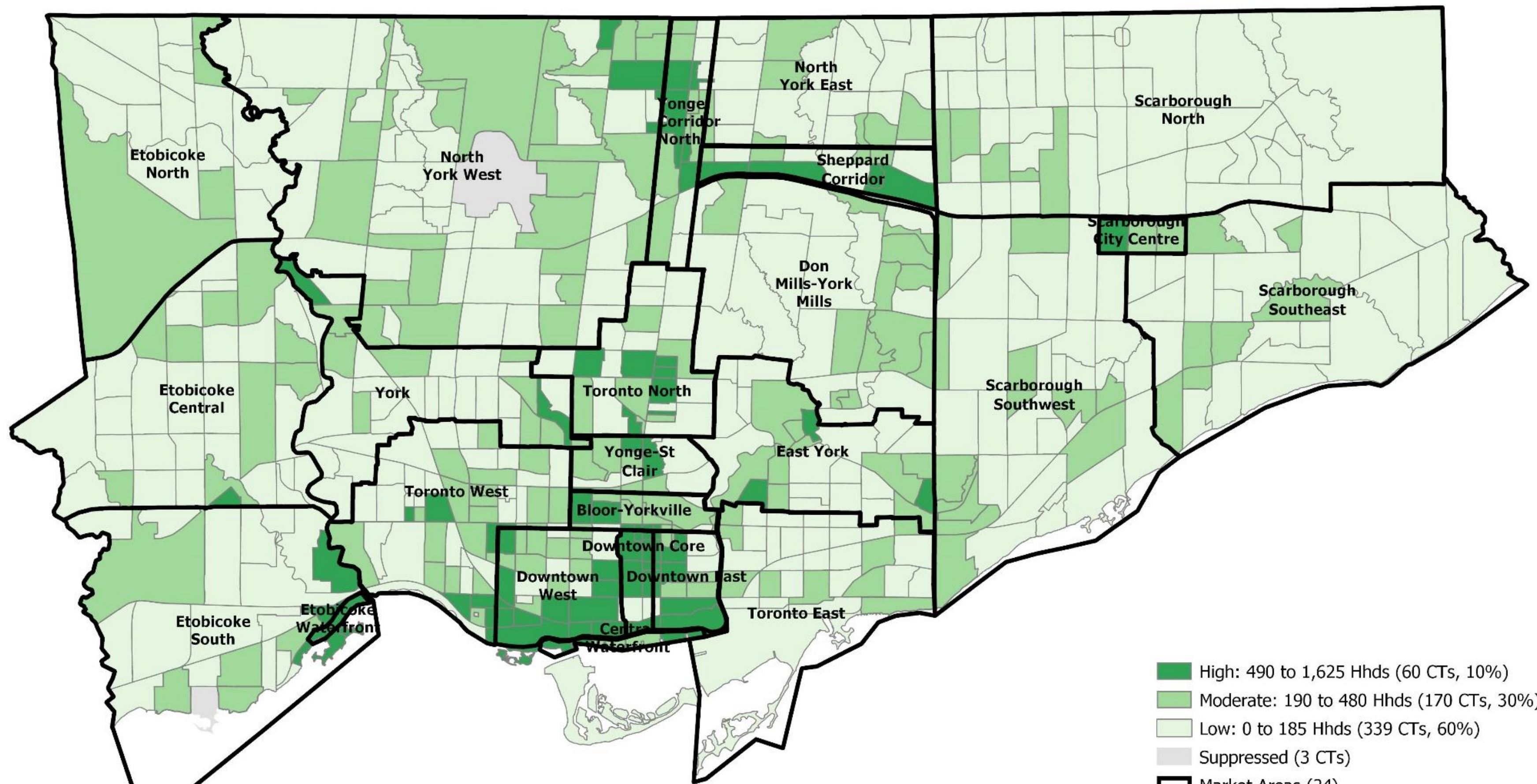

TORONTO Renter Households Median Household Income, 2015
Etobicoke North
North York West
Yonge Corridor North
North York East
Sheppard Corridor
Scarborough North
Scarborough City Centre
Don Mills-York Mills
Scarborough Southeast
Etobicoke Central
York
Toronto North
Scarborough Southwest
Yonge-St Clair
East York
Toronto West
Bloor-Yorkville
Downtown Core
Downtown West
Downtown East
Toronto East
Etobicoke South
Etobicoke Waterfront
Central Waterfront
High $56,157 or Greater Renter Hhds Median Income (113 CTs)
Moderate: $27,350 to $56,156 Renter Hhds Median Income (428 CTs)
Low: $27,349 or Lower Renter Hhds Median Income (24 CTs)
Suppressed (7 CTs)
Market Areas (24)
Source: 2016 Census, Statistics Canada, Custom Request
Geography: 2016 Census Tracts, Statistics Canada; Market Areas are based on Altus RealNet and CMHC market areas provided by NBLC.
Prepared by: Toronto City Planning, Research and Information - May, 2019

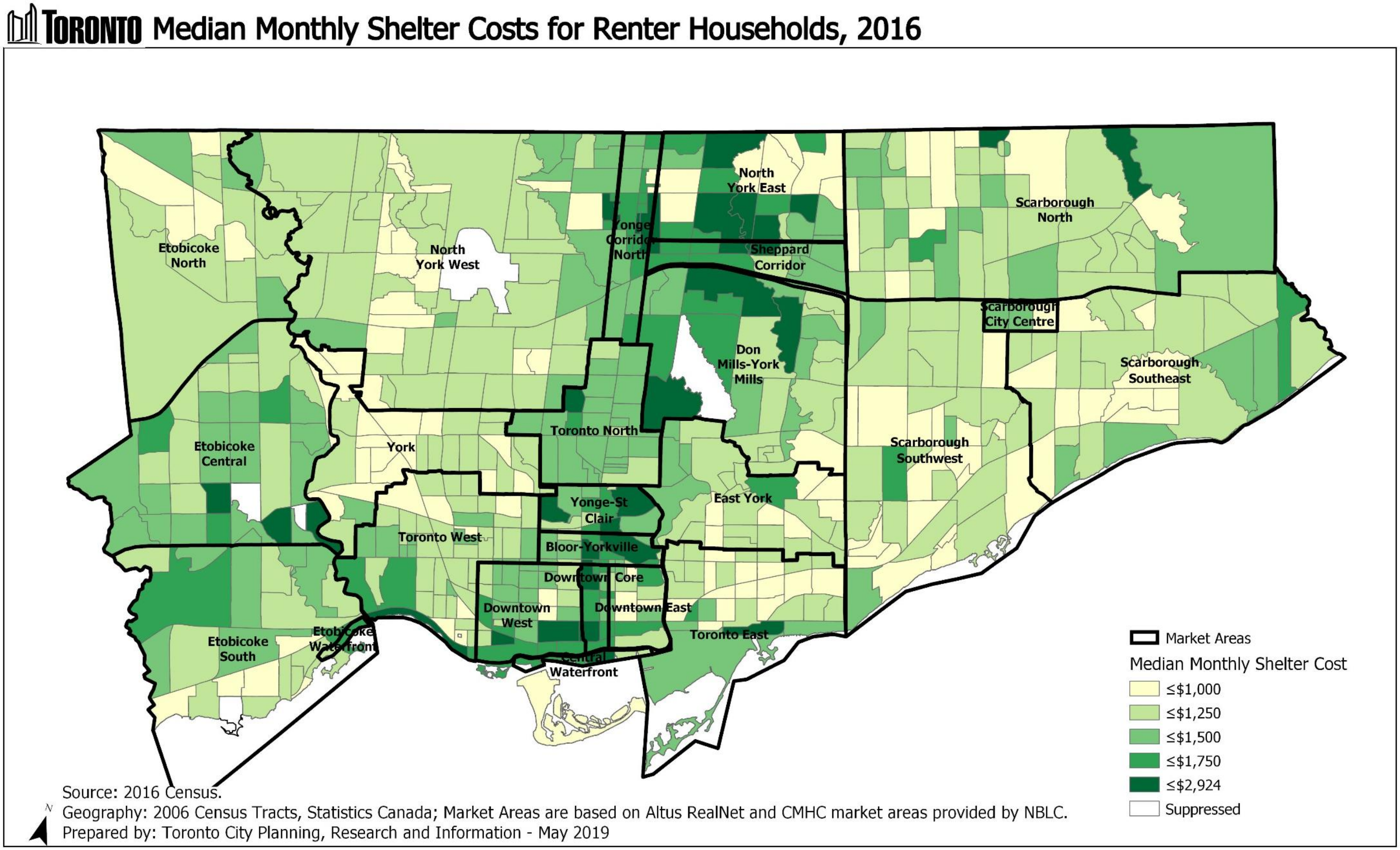
Figure 14.

## TORONTO Number of Renter Households with a Shelter-Cost-to-Income Ratio of 50% or Greater, 2016




Source: 2016 Census, Statistics Canada, Custom Request
Geography: 2016 Census Tracts, Statistics Canada; Market Areas are based on Altus RealNet and CMHC market areas provided by NBLC.
Prepared by: Toronto City Planning, Research and Information - May, 2019

Figure 15.


TORONTO Median Monthly Shelter Costs for Renter Households, 2016
Etobicoke North
North York West
Yonge Corridor North
North York East
Sheppard Corridor
Scarborough North
Scarborough City Centre
Don Mills-York Mills
Scarborough Southeast
Etobicoke Central
York
Toronto North
Scarborough Southwest
East York
Yonge-St Clair
Toronto West
Bloor-Yorkville
Downtown Core
Downtown West
Downtown East
Etobicoke South
Etobicoke Waterfront
Central Waterfront
Toronto East
Market Areas
Median Monthly Shelter Cost
≤$1,000
≤$1,250
≤$1,500
≤$1,750
≤$2,924
Suppressed
Source: 2016 Census.
Geography: 2006 Census Tracts, Statistics Canada; Market Areas are based on Altus RealNet and CMHC market areas provided by NBLC.
Prepared by: Toronto City Planning, Research and Information - May 2019

When income and housing cost trends are examined across all tenures, the data shows that household median incomes across the City follow a 'U' shape across the City, where they are lowest in the outer and inner suburbs of the City and the Downtown, and highest in Etobicoke Central, Etobicoke South, Etobicoke Waterfront, North Toronto, Don Mills-York Mills, Yonge-St Clair and parts of East York, Scarborough North and Scarborough East.

In terms of spending on housing costs, across all tenures households spending more than 50% of their income on housing costs tend to concentrated in the Downtown areas and Bloor-Yorkville, and along the major transit station lines and stations.

Median monthly shelter costs for both owners and renters, as seen in Figure 16, are also highest in the centre of the City, including all the Downtown areas, Bloor-Yorkville, and Yonge-St. Clair, as well as North Toronto, North Yonge Corridor, Sheppard Corridor, Don Mills – York Mills, North York East, and parts of Toronto West, Etobicoke South and Scarborough North.

## Housing Suitability

Figure 17 highlights the areas where there are high concentrations of renters in unsuitable housing[10]. As shown in this figure, these areas are more widely spread across the City, indicating that there is a need for larger units for renters across the City.

When this indicator is examined across all households, households in unsuitable housing tend to be concentrated in the familiar 'U' shape that consists of the outer and inner suburbs of the City and the Downtown.

[10] Statistics Canada definition of housing suitability: 'Housing suitability' refers to whether a private household is living in suitable accommodations according to the National Occupancy Standard (NOS); that is, whether the dwelling has enough bedrooms for the size and composition of the household.

Figure 16.

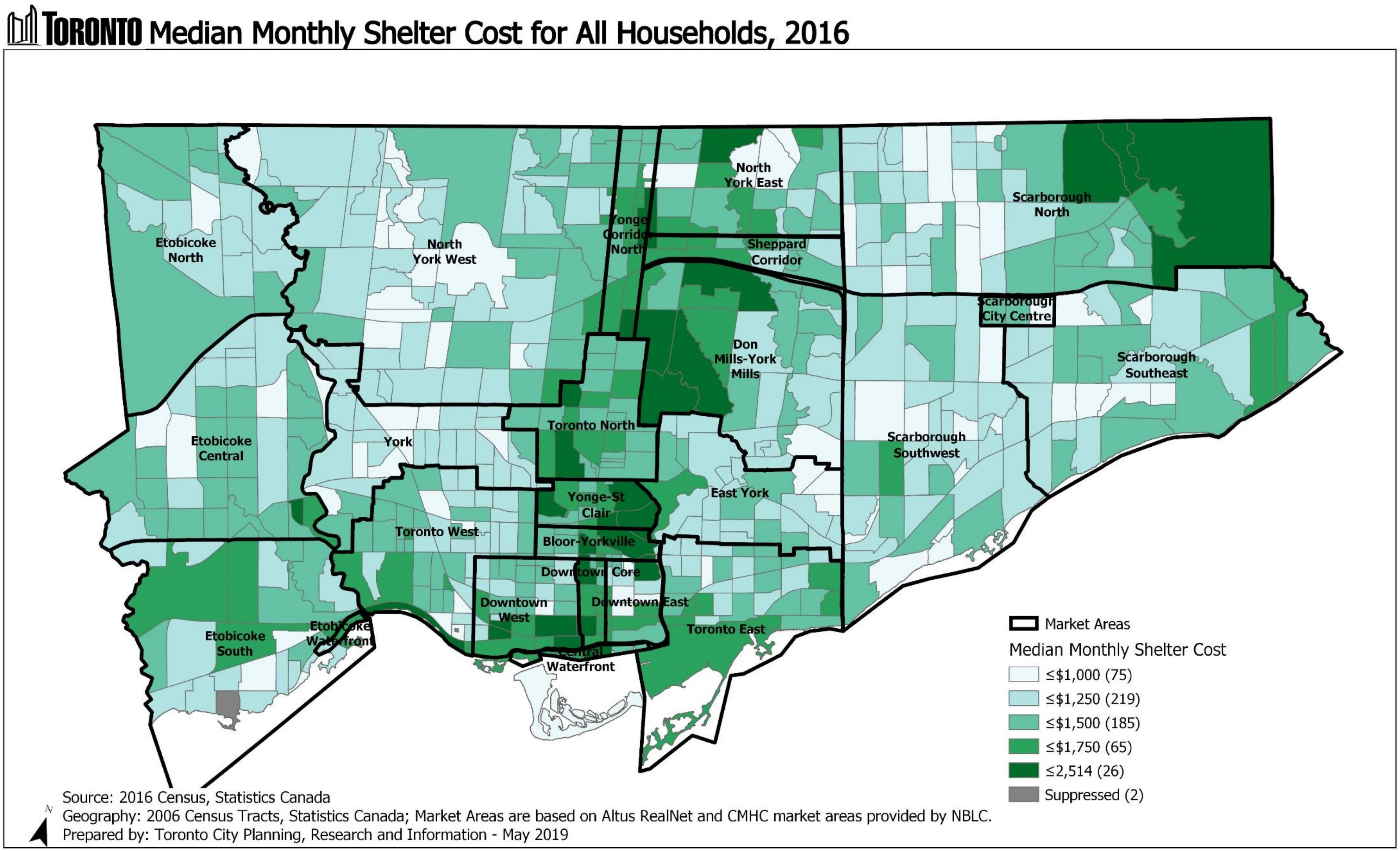
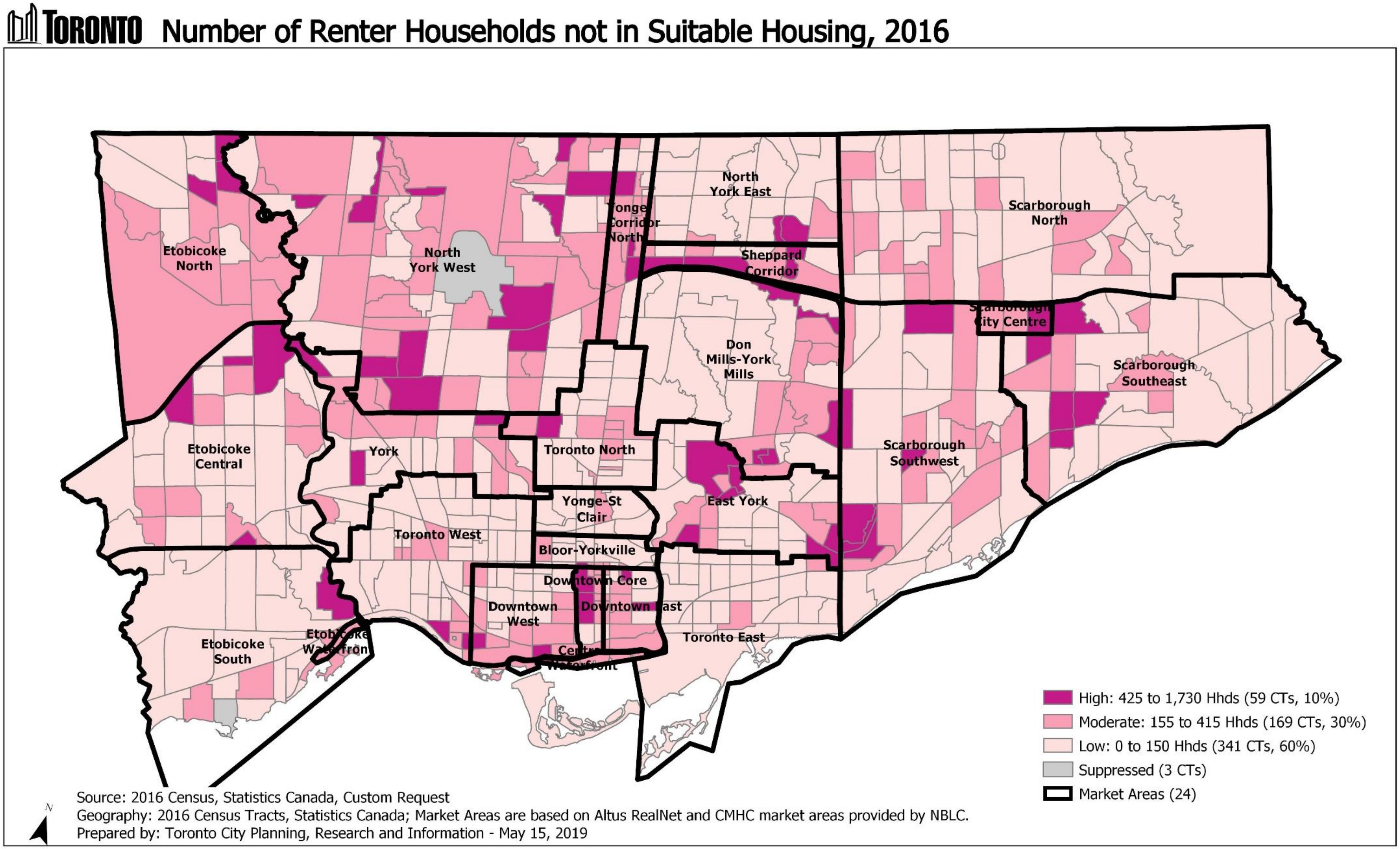

TORONTO Median Monthly Shelter Cost for All Households, 2016
Etobicoke North
North York West
Yonge Corridor North
North York East
Sheppard Corridor
Scarborough North
Scarborough City Centre
Don Mills-York Mills
Scarborough Southeast
Etobicoke Central
York
Toronto North
Scarborough Southwest
East York
Yonge-St Clair
Toronto West
Bloor-Yorkville
Downtown Core
Downtown West
Downtown East
Toronto East
Etobicoke South
Etobicoke Waterfront
Central Waterfront
Market Areas
Median Monthly Shelter Cost
≤$1,000 (75)
≤$1,250 (219)
≤$1,500 (185)
≤$1,750 (65)
≤2,514 (26)
Suppressed (2)
Source: 2016 Census, Statistics Canada
Geography: 2006 Census Tracts, Statistics Canada; Market Areas are based on Altus RealNet and CMHC market areas provided by NBLC.
Prepared by: Toronto City Planning, Research and Information - May 2019

Figure 17.


TORONTO Number of Renter Households not in Suitable Housing, 2016
Etobicoke North
North York West
Yonge Corridor North
North York East
Scarborough North
Sheppard Corridor
Scarborough City Centre
Don Mills-York Mills
Scarborough Southeast
Etobicoke Central
York
Toronto North
Scarborough Southwest
Yonge-St Clair
East York
Toronto West
Bloor-Yorkville
Downtown Core
Downtown West
Downtown East
Etobicoke South
Etobicoke Waterfront
Central Waterfront
Toronto East
High: 425 to 1,730 Hhds (59 CTs, 10%)
Moderate: 155 to 415 Hhds (169 CTs, 30%)
Low: 0 to 150 Hhds (341 CTs, 60%)
Suppressed (3 CTs)
Market Areas (24)
Source: 2016 Census, Statistics Canada, Custom Request
Geography: 2016 Census Tracts, Statistics Canada; Market Areas are based on Altus RealNet and CMHC market areas provided by NBLC.
Prepared by: Toronto City Planning, Research and Information - May 15, 2019

# Housing Growth

## Development pipeline

As of mid-2018, there were 328,691 units in the Residential Development Pipeline[11] in the City of Toronto. These 328,691 proposed units are located in 1,069 development projects across the city. Nearly 90% of these proposed units are in high-rise projects (12 storeys or taller). Around 8% of the proposed units are in mid-rise projects (5 to 11 storeys[12] in height).

The market areas with the largest number of proposed units (more than 20,000 units per market area) are the Downtown Core, Downtown East, Downtown West, Toronto North, North York West, and Toronto West areas. The Downtown West area had the largest number of proposed units at 41,404 units in 122 projects, representing over 12% of all units proposed or approved but not yet built.

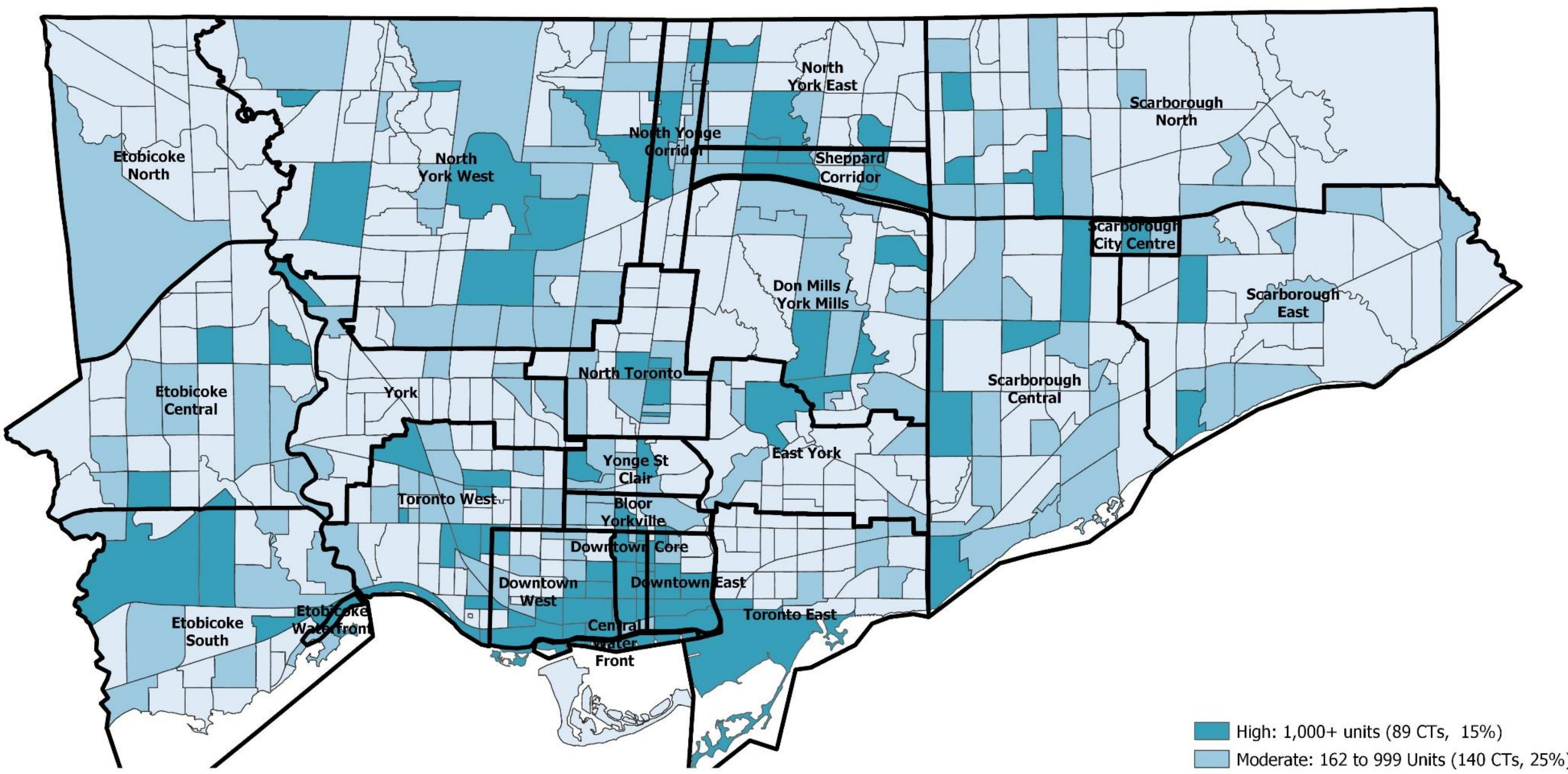
When visualized in Figure 18, the proposed units are generally clustered in the Downtown and in Centres.

[11] The Development Pipeline consists of projects with approval and/or construction activity between July 1, 2013 and June 30, 2018, excluding those projects built prior to the 2016 Census Day. It includes proposals under review, those with their first Planning approval and projects under construction but not yet built. A project is the collection of planning applications having to do with a single site.

[12] The City of Toronto Mid-Rise Design Guidelines defines mid-rise as 5 to 11 storeys.

Figure 18.

## TORONTO Proposed Residential Units by Census Tract




Source: Active residential development projects to 2018 Q2 not built prior to 2016 Census Day; IBMS / Land Use Information System II.
Geography: 2016 Census Tracts, Statistics Canada; Market Areas are based on Altus RealNet and CMHC market areas provided by NBLC.
Prepared by: Toronto City Planning, Research and Information - May, 2019

# Market Price Analysis

## New and resale prices

The average condominium resale price increased 52% from $382,960 in the 2014[13] to $581,145 in 2018[14]. The area with the highest average condominium resale price in the latter period was Bloor-Yorkville with an average condominium resale of $1,123,755. The Central Waterfront, Downtown areas, Toronto North, Yonge Corridor North, Toronto East, Toronto West, and Yonge- St. Clair market areas also had average condominium resale prices in 2018 that were higher than the city average.

The market areas which experienced price escalations greater than the 52% for the city as a whole generally differed than those with high average condominium resale prices. The following market areas in particular had notable price escalations from the 2014 to 2018: Etobicoke North (75%), Scarborough North (61%), Scarborough Southwest (67%), Scarborough Southeast (78%), Toronto West (60%) and York (72%).

The average new condominium end prices increased 70% from $483,973 in 2014 to $823,744 in 2018, which is even higher than the 52% increase in average condominium resale prices during that same time period.

Similar to the resale data findings, the area with the highest average new condominium end price was Bloor-Yorkville with an average new condominium end price of $2,137,691 in 2018. The Central Waterfront, Don Mills-York Mills, Downtown areas, North York East and Yonge- St. Clair market areas also had average new condominium end prices in 2018 that were higher than the city average.

Many market areas also experienced price escalations greater than the city average of 70% for new condominiums. This includes Bloor-Yorkville with a 208% increase in average new condominium end price from 2014 to 2018, followed by North York East (110%), Downtown East (105%), and Toronto East (95%).

Some areas, such as Toronto East, have experienced significant price escalations because prices were notably lower in those areas five years ago when there was far less development and demand in those areas. Other areas may have not experienced significant price escalations due to prices that were already notably high five years ago due to high demand and other market factors, such as Bloor-Yorkville.

[13] In the Market Price Analysis section, 2014 refers to the fourth quarter of 2013 to the third quarter of 2014.

[14] In the Market Price Analysis section, 2018 refers to the fourth quarter of 2017 to the third quarter of 2018.

By unit type, from 2014 to 2018, average condominium resale prices increased 65% for three-bedroom units and 62% for bachelor units, compared to 54% for both one-bedroom and two-bedroom units. Notable escalations for smaller units include a 127% increase in resale price for bachelor units and a 99% increase in resale price for one-bedroom units in York, as well as a 32% increase in resale price for one-bedroom units in Bloor-Yorkville and a 37% increase in resale price for one-bedroom units in Yonge-St Clair and Etobicoke South.

For two-bedroom units, notable price escalations include a 72% increase in resale price for two-bedroom units in York, a 70% increase in resale price for two-bedroom units in Etobicoke North and Scarborough Southwest, and a 69% increase in resale price for two-bedroom units in Scarborough Southeast, as well as a 25% increase in resale price for two-bedroom units in Bloor-Yorkville.

For three-bedroom units, the largest price escalations were seen in Scarborough Southeast and the Downtown core with 128% and 127% increases in resale prices, respectively. Yonge-St Clair saw a price escalation of just 22% for the resale price for three-bedroom units.

### Number of new sales and resales

In 2014, there were 15,833 condominium resales, compared to 17,511 condominium resales in 2018, which is an 11% increase in the number of sales. The largest number of condominium resales in 2018 were in Etobicoke Central, Central Waterfront, Downtown Core, Downtown West, Yonge Corridor North, and North York West.

In terms of new condominium sales, there was a 5% decrease in the number of new condominium sales from 2014 to 2018, for a total of 14,164 new condominium sales in 224 projects in the latter period. The size of projects have increased between these two time periods however, from an average of 43 units per project in 2014 to 63 units per project in 2018.

The area with the most amount of new condominium sales in 2018 by a significant margin was the Downtown West market area with 3,140 new condominium sales in just 39 projects. Bloor-Yorkville, Central Waterfront and Downtown East also had a large number of new condominium sales. These four areas comprised 55% of all new condominium sales in that time period.

## Market Rent Analysis

Rental housing is typically more affordable than ownership housing due to not requiring a down payment, and payment of property taxes, condo fees and maintenance, and other costs associated with home ownership. However, rents in Toronto are increasing substantially, pricing many households out of both the ownership and rental housing markets.

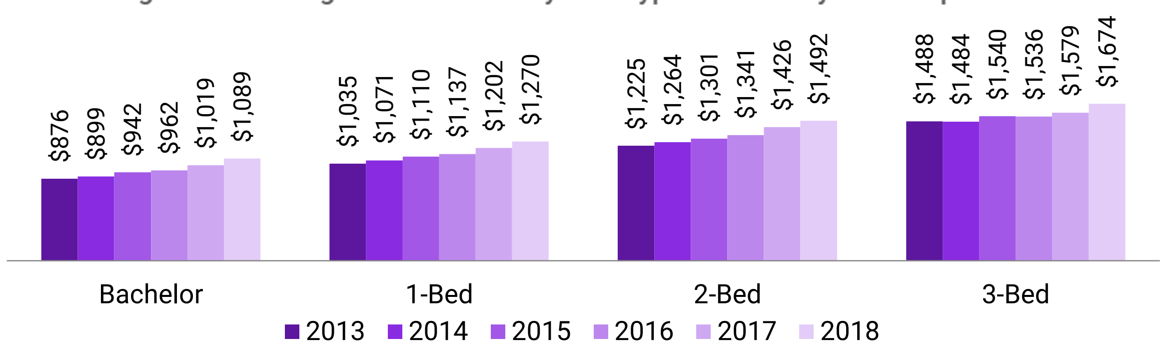
### Average market rents

Rental apartment average market rents (AMRs) in 2018 were $1,089 for a bachelor unit, $1,270 for a one-bedroom unit, $1,492 for a two-bedroom unit, and $1,664 for a three-plus bedroom unit.

AMRs for private market rental apartments in Toronto have increased 21% across all unit types from 2013 to 2018[15] (according to CMHC Rental Market Survey data). The increase in AMRs for bachelor, one-bedroom and two-bedroom units is similar to the overall increase, however AMRs for three plus-bedroom units have only increased by 11.5%.

The city's annual affordable rent thresholds are 100% of the CMHC AMRs by unit type. Mid-range rent thresholds are 150% of the CMHC AMRs by unit type.

Figure 19. Average Market Rents by Unit Type for Primary Rental Apartments

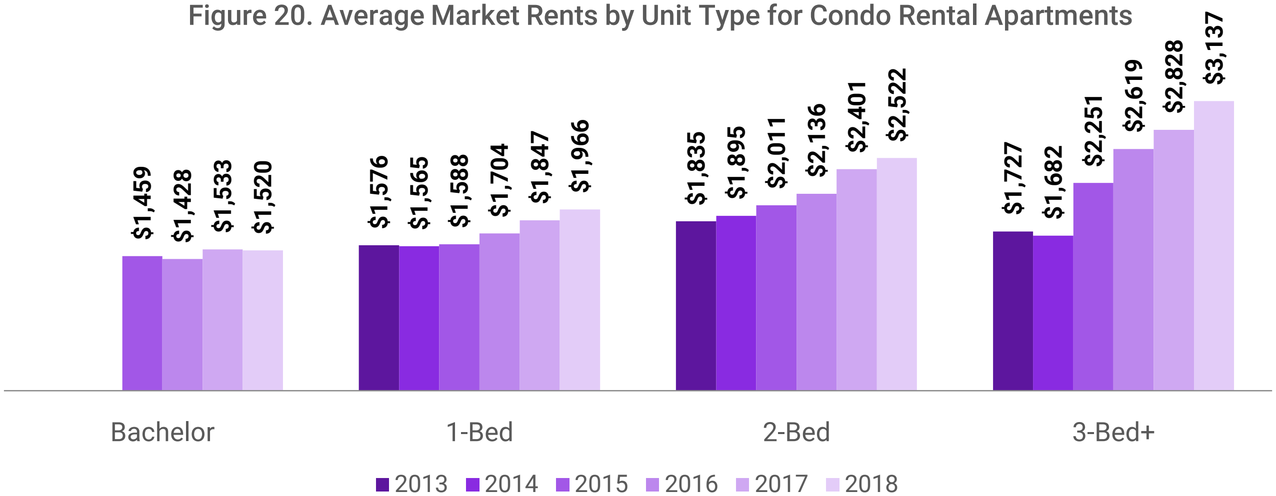



Source: CMHC Rental Market Survey Information

[15] 2013 and 2018 average market rents have not been adjusted for inflation (average of 1.7% annually according to Statistics Canada Consumer Price Index (CPI) statistics).

Condominium rentals (according to CMHC rental market data) had notably higher rents - $1,520 for a bachelor unit, $1,966 for a one-bedroom unit, $2,522 for a two-bedroom unit, and $3,137 for a three-plus bedroom unit. These rents have increased 34% across all unit types from 2013 to 2018[16], and notably rents for three-plus bedroom units have increased 82% compared to 25% for one-bedroom units and 37% for two-bedroom units.

Figure 20. Average Market Rents by Unit Type for Condo Rental Apartments




Source: CMHC Rental Market Survey Information

[16] 2013 and 2018 condo average market rents have not been adjusted for inflation (average of 1.7% annually according to Statistics Canada Consumer Price Index (CPI) statistics).

### Average asking rents

According to the 2018 survey on rental housing listings noted earlier, the average asking rent for all types of rental housing across the City is $436 for shared rooms, $799 for private rooms, $1,507 for bachelor units, $1,974 for 1-bedroom units, $2,540 for 2-bedroom units, and $3,105 for 3-bedroom+ units.

Within the sub-sample, average asking rents are highest among rooms and units renting in the condominium rental market and lowest among those renting in the non-condo secondary rental market.

### Low end of market rents

For shared accommodation, 80% of the AMR for bachelor units was used as the affordable threshold. The average asking rent for rooms is 8.3% lower than this threshold, which suggests that most shared accommodation is in the low-end of the market. The exception to this is rooms in rental condominium units, which have an average asking rent that is 28.3% higher than the 80% of AMR for bachelor units threshold.

Of the 9,000 rental listings surveyed in 2018, just over 25% of the listings were considered 'low-end of market' (LEM) - meaning the asking rent for those listings fell under the City's affordable rent thresholds for rental units or below an 80% of the AMR for a bachelor unit for shared accommodation. Of these LEM listings, over 80% were shared accommodation. Just 7.0% of self-contained units have average asking rents below the City's AMR by unit type.

### New rental rents

There were 146 new purpose-built rental projects in the fourth quarter of 2017 to the third quarter of 2018, compared to just 100 projects in the fourth quarter of 2015 to the third quarter of 2016.

The average rental rate for new purpose-built rentals in the fourth quarter of 2017 to the third quarter of 2018 was $2,380/month, a 20% increase in the average rental rate from the fourth quarter of 2015 to the third quarter of 2016 when the average rental rate for new purpose-built rentals was $1,988/month.

In the fourth quarter of 2017 to the third quarter of 2018 period, the Bloor-Yorkville, Downtown Core, Toronto North, Yonge Corridor North, Toronto East and Yonge-St. Clair market areas all had average rental rates greater than the city average for new purpose-built rentals. However, only the Downtown Core, Downtown East and Downtown West market areas experienced escalations in the average rental rate for new purpose-built rentals greater than the city average.

# Strong Market Analysis

Using findings from the market data analyzed for this report, along with findings from the financial viability analysis (undertaken separately), a 'strong market' check was conducted to determine areas that could potentially support the implementation of an inclusionary zoning policy. The analysis looks at the following 'checks' for each of the market areas (where applicable):

- If the average condominium resale price for 2018[17] is greater than the average condominium resale price for the city as a whole during that time period
- If the escalation in average condominium resale price from 2013 to 2018[18] is greater than the escalation in average condominium resale price for the city as a whole
- If the average price for a new condominium for 2018 is greater than the average price for a new condominium for the city as a whole
- If the escalation in average price for a new condominium from 2013 to 2018 is greater than the escalation in average price for a new condominium for the city as a whole
- If the average rents for new rental units for 2018 is greater than the average rents for new rental units for the city as a whole
- If the number of condominium units in the development pipeline as of mid-2018 is greater than the average number of units in the development pipeline for all market areas
- If the financial viability analysis determined that a typical development in the market area could support a 20% inclusionary zoning requirement (i.e. providing 20% of the residential units above existing development permissions as affordable housing). If a market area can achieve at least 20% viability, it is considered to be an area where an inclusionary zoning policy would be strongly viable
- If the financial viability analysis determined that a typical development in the market area could support a 10% inclusionary zoning requirement (i.e. providing 10% of the residential units above existing development permissions as affordable housing). If a market area can achieve 10% viability, it is considered to be an area where an inclusionary zoning policy would be moderately viable

[17] 2018 in the Strong Market Analysis section refers to the fourth quarter of 2017 to the third quarter of 2018

[18] 2013 to 2018 in the Strong Market Analysis section refers to the fourth quarter of 2013 to the third quarter of 2018

A market area was determined to be a 'strong market' if it achieved at least fifty percent of a minimum number of indicators that were assessed for that area. Data was not uniformly available for all areas, as not every market had new condominium and rental projects transactions during the 5 year time period. Passing at least half the checks indicates that a market area has had strong prices/rents, strong escalation in prices, and/or a high number of units in the development pipeline, along with being determined to be an area where development can feasibly support an inclusionary zoning requirement.

The complete data sets can be found in Appendix 1.

As shown in the table below, the following market areas have been determined to be 'strong market' areas: Bloor-Yorkville, Central Waterfront, Don Mills-York Mills, Downtown Core, Downtown East, Downtown West, North York East, Scarborough Southwest, Toronto East, Toronto North, Toronto West, Yonge-St Clair, and Yonge Corridor North. Based on the analysis noted above, these market areas have strong enough markets where an inclusionary zoning requirement to provide affordable housing as part of a new development would not negatively impact development.

The market analysis also led to the categorization of certain areas of the City as moderate markets because they did not meet the test for a strong market area, but are still areas where significant new development is being supported. Etobicoke, Scarborough, and Yonge-Eglinton Centres are examples where the planning frameworks provide for significant new development, yet price growth, or in the case of Yonge-Eglinton, Council adopted planning permissions, are not strong compared to the City as a whole.

As part of the legislative requirements, market areas are to be assessed at least every five years in order to evaluate whether the market has changed over the past five years and if inclusionary zoning requirements should be adjusted and/or applied to new areas.

## Table 2. Strong Market Check by Market Area, 2018

| Market Area | Resale Price (2018) | Resale Escalation (2013-2018) | New Condo Price (2018) | New Condo Escalation (2013-2018) | New Rental Price (2018) | Pipeline (2018) | Viable @ 20% | Viable @ 10% | Strong Market? |
|---|---|---|---|---|---|---|---|---|---|
| **Bloor-Yorkville** | ✓ | × | ✓ | ✓ | ✓ | × | ✓ | ✓ | Yes |
| **Central Waterfront** | ✓ | ✓ | ✓ | × | - | ✓ | - | - | Yes |
| **Don Mills-York Mills** | × | × | ✓ | ✓ | - | ✓ | - | - | Yes |
| **Downtown Core** | ✓ | ✓ | ✓ | × | ✓ | ✓ | - | - | Yes |
| **Downtown East** | ✓ | × | ✓ | ✓ | × | ✓ | ✓ | ✓ | Yes |
| **Downtown West** | ✓ | × | ✓ | × | × | ✓ | ✓ | ✓ | Yes |
| East York | × | × | × | × | - | × | - | - | No |
| Etobicoke Central | × | ✓ | × | × | × | × | × | ✓ | No |
| Etobicoke North | × | ✓ | × | × | - | × | - | - | No |
| Etobicoke South | × | × | × | × | - | ✓ | - | - | No |
| Etobicoke Waterfront | × | × | × | ✓ | - | × | - | - | No |
| **North York East** | × | ✓ | ✓ | ✓ | - | × | - | - | Yes |
| North York West | × | × | × | × | × | ✓ | × | - | No |
| Scarborough City Centre | × | ✓ | - | - | - | × | × | ✓ | No |
| Scarborough North | × | ✓ | × | × | - | ✓ | - | - | No |
| **Scarborough Southwest** | × | ✓ | × | × | - | ✓ | ✓ | ✓ | Yes |
| Scarborough Southeast | × | ✓ | × | × | - | × | - | - | No |
| Sheppard Corridor | × | × | × | ✓ | × | ✓ | - | - | No |
| **Toronto East** | ✓ | × | × | ✓ | ✓ | × | ✓ | ✓ | Yes |
| **Toronto North** | ✓ | × | × | × | ✓ | ✓ | × | ✓ | Yes |
| **Toronto West** | ✓ | ✓ | × | × | × | ✓ | ✓ | ✓ | Yes |
| **Yonge-St Clair** | ✓ | × | ✓ | ✓ | ✓ | × | - | - | Yes |
| **Yonge Corridor North** | ✓ | × | × | × | ✓ | × | ✓ | ✓ | Yes |
| York | × | ✓ | × | × | - | × | × | × | No |

Source: TREB, Realnet (Altus), and Urbanation Market Data, 2018; City of Toronto, City Planning Division; Land Use Information System II, 2018; Financial Viability Impact Analysis, NBLC, 2019

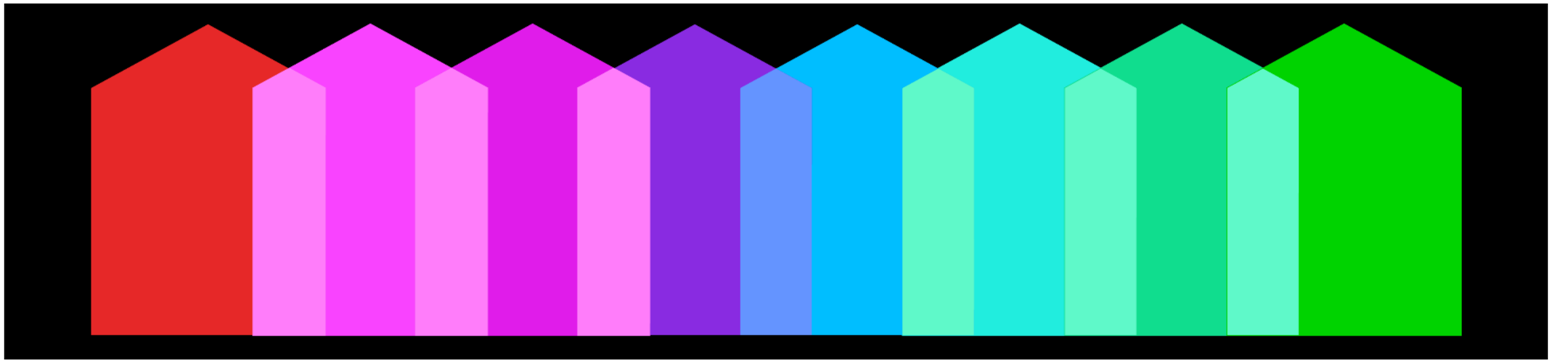
# Demand for Affordable Housing

This report analyzes demographic and income trends, and provides an overview of housing supply in the city. These findings can be used to identify potential future demand for affordable housing. The City will be looking further into affordable housing demand and setting appropriate affordable housing targets as part of the development of the City's 10 year housing and homelessness plan, the HousingTO Action Plan for 2020 to 2030.

# Conclusion

This report provides an overview of demographic and housing need and demand trends in the City of Toronto. There are a number of factors that influence housing need, demand and supply, and the analysis of these factors demonstrates that for Toronto, housing affordability is a concern for many households.

The findings from the comprehensive analysis undertaken in this report will be used to inform the development of an inclusionary zoning policy framework. As part of the consultation on the draft inclusionary zoning policy framework, areas for further analysis may be identified. This report will continue to be refined and supplemented throughout the policy development process.



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# Appendix 1

## Demographic Data Tables

Unless otherwise noted, the following data tables contain data from Statistics Canada: Standard Profiles and Custom Tabulations of 2006 Census and 2016 Census.

**Table 1: Population by Age Cohorts, 2006 and 2016, City of Toronto**

| | All Tenure | | | | | Owned | | | | | Rented | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Year/ Time Period** | **2006** | | **2016** | | **2006-16 Change** | **2006** | | **2016** | | **2006-16 Change** | **2006** | | **2016** | | **2006-16 Change** |
| **Age Cohorts** | **Persons** | **%** | **Persons** | **%** | **% Change** | **Persons** | **%** | **Persons** | **%** | **% Change** | **Persons** | **%** | **Persons** | **%** | **% Change** |
| 0 to 4 years | 134,010 | 5.5% | 135,545 | 5.0% | 1.1% | 72,910 | 4.9% | 72,435 | 4.6% | -0.7% | 61,095 | 6.3% | 63,110 | 5.6% | 3.3% |
| 5 to 9 years | 132,545 | 5.4% | 134,650 | 5.0% | 1.6% | 75,210 | 5.0% | 74,955 | 4.8% | -0.3% | 57,335 | 5.9% | 59,685 | 5.3% | 4.1% |
| 10 to 14 years | 140,005 | 5.7% | 126,685 | 4.7% | -9.5% | 83,690 | 5.6% | 74,065 | 4.7% | -11.5% | 56,315 | 5.8% | 52,615 | 4.7% | -6.6% |
| 15 to 19 years | 143,380 | 5.8% | 144,425 | 5.4% | 0.7% | 88,775 | 6.0% | 83,830 | 5.4% | -5.6% | 54,605 | 5.7% | 60,580 | 5.4% | 10.9% |
| 20 to 24 years | 169,445 | 6.9% | 193,510 | 7.2% | 14.2% | 92,095 | 6.2% | 94,920 | 6.1% | 3.1% | 77,345 | 8.0% | 98,590 | 8.8% | 27.5% |
| 25 to 29 years | 187,995 | 7.7% | 231,860 | 8.6% | 23.3% | 85,340 | 5.7% | 92,215 | 5.9% | 8.1% | 102,650 | 10.6% | 139,635 | 12.4% | 36.0% |
| 30 to 34 years | 192,990 | 7.9% | 223,480 | 8.3% | 15.8% | 95,940 | 6.4% | 98,540 | 6.3% | 2.7% | 97,050 | 10.1% | 124,940 | 11.1% | 28.7% |
| 35 to 39 years | 200,160 | 8.2% | 195,105 | 7.2% | -2.5% | 109,990 | 7.4% | 101,155 | 6.5% | -8.0% | 90,170 | 9.3% | 93,945 | 8.3% | 4.2% |
| 40 to 44 years | 209,380 | 8.5% | 181,225 | 6.7% | -13.4% | 125,935 | 8.5% | 105,545 | 6.7% | -16.2% | 83,440 | 8.6% | 75,680 | 6.7% | -9.3% |
| 45 to 49 years | 191,495 | 7.8% | 189,540 | 7.0% | -1.0% | 122,915 | 8.2% | 118,170 | 7.5% | -3.9% | 68,585 | 7.1% | 71,370 | 6.3% | 4.1% |
| 50 to 54 years | 166,630 | 6.8% | 200,605 | 7.5% | 20.4% | 113,155 | 7.6% | 130,715 | 8.3% | 15.5% | 53,475 | 5.5% | 69,885 | 6.2% | 30.7% |
| 55 to 59 years | 146,335 | 6.0% | 180,940 | 6.7% | 23.6% | 104,205 | 7.0% | 121,200 | 7.7% | 16.3% | 42,130 | 4.4% | 59,730 | 5.3% | 41.8% |
| 60 to 64 years | 107,930 | 4.4% | 152,060 | 5.6% | 40.9% | 77,330 | 5.2% | 105,570 | 6.7% | 36.5% | 30,600 | 3.2% | 46,485 | 4.1% | 51.9% |
| 65 to 69 years | 92,645 | 3.8% | 128,900 | 4.8% | 39.1% | 67,300 | 4.5% | 91,745 | 5.9% | 36.3% | 25,345 | 2.6% | 37,150 | 3.3% | 46.6% |
| 70 to 74 years | 83,420 | 3.4% | 91,320 | 3.4% | 9.5% | 62,020 | 4.2% | 65,560 | 4.2% | 5.7% | 21,400 | 2.2% | 25,760 | 2.3% | 20.4% |
| 75 years + | 157,405 | 6.4% | 181,830 | 6.8% | 15.5% | 113,375 | 7.6% | 135,560 | 8.7% | 19.6% | 44,035 | 4.6% | 46,265 | 4.1% | 5.1% |
| **Total Population** | **2,455,770** | **100%** | **2,691,680** | **100%** | **9.6%** | **1,490,185** | **100%** | **1,566,180** | **100%** | **5.1%** | **965,575** | **100%** | **1,125,425** | **100%** | **16.6%** |

**Table 2: Households by Household Size, 2006 and 2016, City of Toronto**

| | All Tenure | | | | | Owned | | | | | Rented | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year/ Time Period | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change |
| HHold Size | HHolds | % | HHolds | % | % Change | HHolds | % | HHolds | % | % Change | HHolds | % | HHolds | % | % Change |
| 1 person | 293,340 | 30.1% | 359,985 | 32.3% | 22.7% | 112,780 | 21.2% | 144,305 | 24.6% | 28.0% | 180,565 | 40.8% | 215,675 | 41.0% | 19.4% |
| 2 persons | 281,415 | 28.9% | 333,445 | 30.0% | 18.5% | 158,640 | 29.8% | 177,490 | 30.2% | 11.9% | 122,775 | 27.7% | 155,955 | 29.7% | 27.0% |
| 3 persons | 160,235 | 16.4% | 175,830 | 15.8% | 9.7% | 93,845 | 17.7% | 102,930 | 17.5% | 9.7% | 66,385 | 15.0% | 72,890 | 13.9% | 9.8% |
| 4 persons | 139,955 | 14.4% | 146,555 | 13.2% | 4.7% | 96,285 | 18.1% | 98,090 | 16.7% | 1.9% | 43,665 | 9.9% | 48,455 | 9.2% | 11.0% |
| 5 + persons | 99,360 | 10.2% | 97,115 | 8.7% | -2.3% | 69,920 | 13.2% | 64,265 | 10.9% | -8.1% | 29,440 | 6.6% | 32,850 | 6.2% | 11.6% |
| **Total** | **974,305** | **100%** | **1,112,930** | **100%** | **14.2%** | **531,470** | **100%** | **587,080** | **100%** | **10.5%** | **442,830** | **100%** | **525,825** | **100%** | **18.7%** |

**Table 3: Households by Household Type, 2006 and 2016, City of Toronto**

| | All Tenure | | | | | Owned | | | | | Rented | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year/ Time Period | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change |
| HHold Type | HHolds | % | HHolds | % | % Change | HHolds | % | HHolds | % | % Change | HHolds | % | HHolds | % | % Change |
| Family | 632,235 | 64.9% | 685,980 | 61.2% | 8.5% | 403,505 | 75.9% | 425,585 | 72.6% | 5.5% | 228,730 | 51.7% | 260,395 | 49.6% | 13.8% |
| Non-Family | 342,075 | 35.1% | 426,760 | 38.4% | 24.8% | 127,980 | 24.1% | 162,510 | 27.7% | 27.0% | 214,095 | 48.3% | 264,250 | 50.4% | 23.4% |
| **Total** | **974,305** | **100%** | **1,110,735** | **100%** | **14.0%** | **531,475** | **100%** | **586,090** | **100%** | **10.3%** | **442,830** | **100%** | **524,645** | **100%** | **18.5%** |

**Table 4: Household Income Deciles, 2006 and 2016, City of Toronto**

| | All Tenure | | | | | Owned | | | | | Rented | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year/ Time Period | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change |
| Income Deciles | HHolds | % | HHolds | % | % Change | HHolds | % | HHolds | % | % Change | HHolds | % | HHolds | % | % Change |
| 1st Decile | 97,405 | 10.0% | 110,930 | 10.0% | Not Applicable | 22,275 | 4.2% | 25,470 | 4.3% | 14.3% | 75,130 | 17.0% | 85,465 | 16.3% | 13.8% |
| 2nd Decile | 97,460 | 10.0% | 111,185 | 10.0% | | 29,710 | 5.6% | 33,530 | 5.7% | 12.9% | 67,750 | 15.3% | 77,655 | 14.8% | 14.6% |
| 3rd Decile | 97,420 | 10.0% | 111,090 | 10.0% | | 37,340 | 7.0% | 42,595 | 7.3% | 14.1% | 60,075 | 13.6% | 68,500 | 13.1% | 14.0% |
| 4th Decile | 97,530 | 10.0% | 111,115 | 10.0% | | 41,520 | 7.8% | 46,105 | 7.9% | 11.0% | 56,010 | 12.6% | 65,010 | 12.4% | 16.1% |
| 5th Decile | 97,370 | 10.0% | 111,060 | 10.0% | | 47,055 | 8.9% | 51,865 | 8.8% | 10.2% | 50,315 | 11.4% | 59,190 | 11.3% | 17.6% |
| 6th Decile | 97,345 | 10.0% | 111,075 | 10.0% | | 54,370 | 10.2% | 58,360 | 10.0% | 7.3% | 42,980 | 9.7% | 52,710 | 10.0% | 22.6% |
| 7th Decile | 97,450 | 10.0% | 111,100 | 10.0% | | 61,560 | 11.6% | 66,790 | 11.4% | 8.5% | 35,890 | 8.1% | 44,315 | 8.4% | 23.5% |
| 8th Decile | 97,390 | 10.0% | 110,925 | 10.0% | | 70,325 | 13.2% | 76,050 | 13.0% | 8.1% | 27,070 | 6.1% | 34,875 | 6.6% | 28.8% |
| 9th Decile | 97,545 | 10.0% | 111,230 | 10.0% | | 79,715 | 15.0% | 87,425 | 14.9% | 9.7% | 17,825 | 4.0% | 23,800 | 4.5% | 33.5% |
| 10th Decile | 97,400 | 10.0% | 111,020 | 10.0% | | 87,610 | 16.5% | 97,895 | 16.7% | 11.7% | 9,790 | 2.2% | 13,125 | 2.5% | 34.1% |
| **Total** | **974,315** | **100%** | **1,110,730** | **100%** | | **531,480** | **100%** | **586,085** | **100%** | **10.3%** | **442,835** | **100%** | **524,645** | **100%** | **18.5%** |

**Table 5: Housing Suitability, 2006 and 2016, City of Toronto**

| | All Tenure | | | | | Owned | | | | | Rented | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year/ Time Period | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change |
| Housing Suitability | HHolds | % | HHolds | % | % Change | HHolds | % | HHolds | % | % Change | HHolds | % | HHolds | % | % Change |
| Suitable | 825,955 | 84.3% | 978,105 | 87.9% | 18.4% | 484,540 | 91.0% | 550,075 | 93.7% | 13.5% | 341,415 | 76.4% | 428,010 | 81.4% | 25.4% |
| Not Suitable | 153,470 | 15.7% | 134,825 | 12.1% | -12.1% | 48,040 | 9.0% | 37,005 | 6.3% | -23.0% | 105,440 | 23.6% | 97,815 | 18.6% | -7.2% |
| **Total** | **979,425** | **100%** | **1,112,930** | **100%** | **13.6%** | **532,580** | **100%** | **587,080** | **100%** | **10.2%** | **446,855** | **100%** | **525,825** | **100%** | **17.7%** |

**Table 6: Dwellings by Condominium Status, 2006 and 2016, City of Toronto**

| | All Tenure | | | | | Owned | | | | | Rented | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year/ Time Period | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change |
| Condo Status | HHolds | % | HHolds | % | % Change | HHolds | % | HHolds | % | % Change | HHolds | % | HHolds | % | % Change |
| Condo | Not Available in 2006 | | 292,265 | 26.3% | Not Applicable | Not Available | | 195,295 | 33.3% | Not Applicable | Not Available | | 96,965 | 18.4% | Not Applicable |
| Not Condo | | | 820,665 | 73.7% | | | | 391,785 | 66.7% | | | | 428,855 | 81.6% | |
| **Total** | | | **1,112,930** | **100%** | | | | **587,080** | **100%** | | | | **525,820** | **100%** | |

**Table 7: Shelter Cost to Income Ratio (STIR), 2006 and 2016, City of Toronto**

| | All Tenure | | | | | Owned | | | | | Rented | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year/ Time Period | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change |
| | HHolds | % | HHolds | % | % Change | HHolds | % | HHolds | % | % Change | HHolds | % | HHolds | % | % Change |
| Spending 50% or more of income on shelter costs | 165,805 | 17.0% | 194,440 | 17.5% | 17.3% | 64,565 | 12.1% | 71,995 | 12.3% | 11.5% | 101,245 | 22.9% | 122,440 | 23.3% | 20.9% |
| **Total HHolds[19]** | **974,305** | **100%** | **1,110,735** | **100%** | **14.0%** | **531,475** | **100%** | **586,090** | **100%** | **10.3%** | **442,830** | **100%** | **524,645** | **100%** | **18.5%** |

[19] With income greater than $0

[20] Data source: Canada Mortgage and Housing Corporation, Housing in Canada Online

**Table 8: Households in Unsuitable, Inadequate and Unaffordable Housing by Household Type, 2006 and 2016, City of Toronto[21]**

| Tenure | Owned | | | | | Rented | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Year/Time Period | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change |
| Household Type and Need | HHolds | % | HHolds | % | % Change | HHolds | % | HHolds | % | % Change |
| **Family Households** | **391,230** | | **425,585** | | **8.8%** | **214,850** | | **260,395** | | **21.2%** |
| - In unsuitable housing | 43,585 | 11.1% | 34,270 | 8.1% | -21.4% | 85,385 | 39.7% | 82,835 | 31.8% | -3.0% |
| - In inadequate housing | 22,355 | 5.7% | 22,005 | 5.2% | -1.6% | 24,400 | 11.4% | 26,410 | 10.1% | 8.2% |
| - In unaffordable housing | 80,880 | 20.7% | 93,200 | 21.9% | 15.2% | 76,240 | 35.5% | 97,880 | 37.6% | 28.4% |
| **Non-Family Households** | **117,015** | | **162,510** | | **38.9%** | **188,325** | | **264,250** | | **40.3%** |
| - In unsuitable housing | 1,905 | 1.6% | 18,055 | 11.1% | 847.8% | 10,965 | 5.8% | 15,355 | 5.8% | 40.0% |
| - In inadequate housing | 6,705 | 5.7% | 30,070 | 18.5% | 348.5% | 16,675 | 8.9% | 21,715 | 8.2% | 30.2% |
| - In unaffordable housing | 39,755 | 34.0% | 67,270 | 41.4% | 69.2% | 88,055 | 46.8% | 147,720 | 55.9% | 67.8% |
| **All Households** | **508,245** | | **588,095** | | **15.7%** | **403,175** | | **524,645** | | **30.1%** |
| - In unsuitable housing | 45,490 | 9.0% | 52,325 | 8.9% | 15.0% | 96,350 | 23.9% | 98,190 | 18.7% | 1.9% |
| - In inadequate housing | 29,060 | 5.7% | 52,075 | 8.9% | 79.2% | 41,075 | 10.2% | 48,125 | 9.2% | 17.2% |
| - In unaffordable housing | 120,635 | 23.7% | 160,470 | 27.3% | 33.0% | 164,295 | 40.8% | 245,600 | 46.8% | 49.5% |

[21] Data source: Canada Mortgage and Housing Corporation, Housing in Canada Online

## Dwelling, Vacancy Rate and Rent Data Tables

Unless otherwise noted, the following data tables contain data from the Canada Mortgage and Housing Corporation Rental Market Survey Data.

**Table 9: Occupied Private Dwellings by Structural Type, 2006 and 2016, City of Toronto[22]**

| Tenure | Owned | | | | | Rented | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Year/Time Period | 2006 | | 2016 | | 2006-16 Change | 2006 | | 2016 | | 2006-16 Change |
| Structural Type | Dwellings | % | Dwellings | % | % Change | Dwellings | % | Dwellings | % | % Change |
| Single-detached house | 252,640 | 47.4% | 250,245 | 42.6% | -0.9% | 14,800 | 3.3% | 19,405 | 3.7% | 31.1% |
| Semi-detached house | 64,220 | 12.1% | 64,250 | 10.9% | 0.0% | 6,210 | 1.4% | 7,825 | 1.5% | 26.0% |
| Row house | 37,755 | 7.1% | 42,955 | 7.3% | 13.8% | 17,405 | 3.9% | 18,915 | 3.6% | 8.7% |
| Apartment/flat in a duplex | 26,985 | 5.1% | 28,725 | 4.9% | 6.4% | 16,465 | 3.7% | 18,850 | 3.6% | 14.5% |
| Apartment in building with >five storeys | 44,395 | 8.3% | 42,060 | 7.2% | -5.3% | 117,980 | 26.4% | 123,585 | 23.5% | 4.8% |
| Apartment in building with five+ storeys | 106,160 | 19.9% | 156,845 | 26.7% | 47.7% | 272,890 | 61.1% | 336,290 | 64.0% | 23.2% |
| Other single-attached house | 330 | 0.1% | 1,930 | 0.3% | 484.8% | 1,055 | 0.2% | 910 | 0.2% | -13.7% |
| **Total Occupied Private Dwellings** | **532,485** | **100%** | **587,010** | **100%** | **10.2%** | **446,805** | **100%** | **525,780** | **100%** | **17.7%** |

[22] Data source: Statistics Canada: Standard Profiles and Custom Tabulations of 2006 Census and 2016 Census.

**Table 10: Rental Apartment Universe by Unit Type and Rents Below, At and Above Average Market Rent (AMR), 2013 and 2018, City of Toronto[23,24]**

| Unit Type | Bachelor | | | 1 Bedroom | | | 2 Bedroom | | | 3 Bedroom + | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year/Time Period | 2013 | 2018 | % Change '13-'18 | 2013 | 2018 | % Change '13-'18 | 2013 | 2018 | % Change '13-'18 | 2013 | 2018 | % Change '13-'18 | 2013 | 2018 | % Change '13-'18 |
| Rent Band[25]: | | | | | | | | | | | | | | | |
| <=80% AMR | 3,873 | 5,033 | 30% | 13,460 | 25,171 | 87% | 15,748 | 24,531 | 56% | 4,439 | 4,058 | -9% | 37,520 | 58,793 | 57% |
| 81% to 100% AMR | 8,443 | 7,138 | -15% | 51,888 | 38,602 | -26% | 46,014 | 38,379 | -17% | 10,208 | 9,207 | -10% | 116,553 | 93,326 | -20% |
| 101% to 150% AMR | 9,663 | 9,167 | -5% | 39,180 | 43,862 | 12% | 32,426 | 30,537 | -6% | 4,720 | 5,748 | 22% | 85,989 | 89,314 | 4% |
| >150% AMR | ** | ** | - | 3,208 | ** | - | 4,449 | 6,175 | 39% | ** | ** | - | ** | ** | - |
| **Total** | **21,979** | **21,338** | **-3%** | **107,736** | **107,635** | **0%** | **98,637** | **99,622** | **1%** | **19,367** | **19,013** | **-2%** | **247,719** | **247,608** | **0%** |

**Table 11: Vacancy Rates by Unit Type and Rents Below, At and Above Average Market Rent (AMR), 2013 and 2018, City of Toronto**

| Unit Type | Bachelor | | 1 Bedroom | | 2 Bedroom | | 3 Bedroom + | |
|---|---|---|---|---|---|---|---|---|
| Year | 2013 | 2018 | 2013 | 2018 | 2013 | 2018 | 2013 | 2018 |
| Rent Band[26]: | | | | | | | | |
| <=80% AMR | ** | 1.0 | 2.0 | 0.8 | 1.7 | 0.3 | 0.8 | 0.2 |
| 81% to 100% AMR | 1.6 | 1.9 | 1.5 | 0.6 | 1.3 | 0.4 | 1.2 | 0.4 |
| 101% to 150% AMR | 1.3 | 1.9 | 1.6 | 1.9 | 1.5 | 1.4 | 1.2 | 1.6 |
| >150% AMR | 4.0 | ** | 3.7 | 3.2 | 2.5 | 4.8 | 2.5 | 3.3 |
| **All units** | **-** | **1.6** | **-** | **1.2** | **-** | **0.9** | **-** | **0.8** |

23 ** = data is supressed/not available
24 Data is for privately initiated rental apartment structures of three units and over and as such is not representative of the entire rental universe.
25 Rent bands are based on a proportion of Average Market Rent (AMR), as reported by the Canada Mortgage and Housing Corporation
26 Rent bands are based on a proportion of Average Market Rent (AMR), as reported by the Canada Mortgage and Housing Corporation

**Table 12: Average Market Rents (AMR) for Primary Rental Apartments, 2013 to 2018, City of Toronto**

| Year | Bachelor | 1 Bedroom | 2 Bedroom | 3 Bedroom + | All Units |
|---|---|---|---|---|---|
| 2013 | $876 | $1,035 | $1,225 | $1,493 | $1,134 |
| 2014 | $899 | $1,071 | $1,264 | $1,488 | $1,166 |
| 2015 | $942 | $1,110 | $1,301 | $1,544 | $1,206 |
| 2016 | $962 | $1,137 | $1,341 | $1,549 | $1,236 |
| 2017 | $1,019 | $1,202 | $1,426 | $1,595 | $1,308 |
| 2018 | $1,089 | $1,270 | $1,492 | $1,664 | $1,372 |
| **% Change 2013-2018** | **24.3%** | **22.7%** | **21.8%** | **11.5%** | **21.0%** |

**Table 13: Average Market Rents (AMR) for Condominium Rental Apartments, 2013 to 2018, City of Toronto[27]**

| Year | Bachelor | 1 Bedroom | 2 Bedroom | 3 Bedroom + | All Units |
|---|---|---|---|---|---|
| 2013 | ** | $1,576 | $1,835 | $1,727 | $1,742 |
| 2014 | ** | $1,565 | $1,895 | $1,682 | $1,758 |
| 2015 | $1,459 | $1,588 | $2,011 | $2,251 | $1,892 |
| 2016 | $1,428 | $1,704 | $2,136 | $2,619 | $1,983 |
| 2017 | $1,533 | $1,847 | $2,401 | $2,828 | $2,219 |
| 2018 | $1,520 | $1,966 | $2,522 | $3,137 | $2,337 |
| **% Change 2013-2018** | **N/A** | **24.7%** | **37.4%** | **81.6%** | **34.2%** |

**Table 14: Average Asking Rents by Accommodation Type, 2018, City of Toronto[28]**

| Accommodation Type[29] | Private Room | Bachelor | 1 Bedroom | 2 Bedroom | 3 Bedroom + | All Units (Rooms Included) | All Units (Rooms Excluded) |
|---|---|---|---|---|---|---|---|
| Primary Rental | $791 | $1,399 | $1,738 | $2,026 | $2,298 | $1,732 | $1,912 |
| Condo Secondary Rental | $1,141 | $1,914 | $2,222 | $2,819 | $3,366 | $2,280 | $2,469 |
| Non-Condo Secondary Rental | $731 | $1,217 | $1,472 | $2,036 | $2,963 | $1,691 | $2,047 |
| **All Rental Accommodation Types[30]** | **$799** | **$1,507** | **$1,974** | **$2,540** | **$3,105** | **$1,887** | **$2,342** |

27 ** = data is supressed/not available
28 Data source: City-commissioned Rental Market Listing Survey, 2018
29 Data by accommodation type is based on a sample of 3,212 listings out of the 9,000 surveyed
30 Average asking rents regardless of accommodation type are based on all 9,000 listings surveyed

# Market Price and Rent Data Tables

Unless otherwise noted, the following data tables contain custom data from TREB, Realnet (Altus) and Urbanation.

**Table 15: Resale Condominium Unit Market Data, Fourth Quarter 2013 to Third Quarter 2018 by Market Area, City of Toronto**

| | Number of Resales | | Average Resale Price | | Price Escalation |
|---|---|---|---|---|---|
| **Market Area:** | Q4 2013 - Q3 2014 | Q4 2017 - Q3 2018 | Q4 2013 - Q3 2014 | Q4 2017 - Q3 2018 | Q4 2013 - Q3 2018 |
| Bloor-Yorkville | 222 | 296 | $1,004,146 | $1,123,755 | 11.9% |
| Central Waterfront | 2,026 | 2,770 | $441,300 | $680,502 | 54.2% |
| Don Mills-York Mills | 667 | 555 | $366,665 | $545,265 | 48.7% |
| Downtown Core | 1,233 | 1,465 | $480,885 | $737,286 | 53.3% |
| Downtown East | 459 | 617 | $411,198 | $605,586 | 47.3% |
| Downtown West | 1,410 | 1,453 | $406,123 | $599,797 | 47.7% |
| East York | 197 | 198 | $290,631 | $430,976 | 48.3% |
| Etobicoke Central | 1,079 | 1,032 | $314,687 | $480,449 | 52.7% |
| Etobicoke North | 344 | 407 | $187,027 | $327,177 | 74.9% |
| Etobicoke South | 73 | 111 | $357,074 | $496,591 | 39.1% |
| Etobicoke Waterfront | 598 | 888 | $393,986 | $568,064 | 44.2% |
| North York East | 237 | 215 | $366,948 | $569,338 | 55.2% |
| North York West | 829 | 1,060 | $311,493 | $446,375 | 43.3% |
| Scarborough City Centre | 569 | 465 | $265,658 | $405,725 | 52.7% |
| Scarborough North | 1,063 | 967 | $242,569 | $391,351 | 61.3% |
| Scarborough Southwest | 504 | 463 | $221,359 | $369,262 | 66.8% |
| Scarborough Southeast | 198 | 191 | $201,710 | $359,909 | 78.4% |
| Sheppard Corridor | 528 | 745 | $349,570 | $494,205 | 41.4% |
| Toronto East | 295 | 273 | $461,251 | $657,018 | 42.4% |
| Toronto North | 476 | 596 | $529,284 | $716,238 | 35.3% |
| Toronto West | 488 | 566 | $380,979 | $608,101 | 59.6% |
| Yonge-St Clair | 230 | 243 | $760,930 | $987,339 | 29.8% |
| Yonge Corridor North | 1,798 | 1,634 | $392,380 | $582,466 | 48.4% |
| York | 310 | 301 | $258,358 | $445,474 | 72.4% |
| **City of Toronto** | **15,833** | **17,511** | **$382,960** | **$581,145** | **51.8%** |

**Table 16: New Condominium Unit Market Data, Fourth Quarter 2013 to Third Quarter 2018 by Market Area, City of Toronto**

| | Number of New Condo Projects | | Number of New Condo Sales | | New Condo Average End Price | | Price Escalation |
|---|---|---|---|---|---|---|---|
| **Market Area:** | Q4 2013 - Q3 2014 | Q4 2017 - Q3 2018 | Q4 2013 - Q3 2014 | Q4 2017 - Q3 2018 | Q4 2013 - Q3 2014 | Q4 2017 - Q3 2018 | Q4 2013 - Q3 2018 |
| Bloor-Yorkville | 19 | 17 | 720 | 1,658 | $694,079 | $2,137,691 | 208.0% |
| Central Waterfront | 8 | 12 | 742 | 1,186 | $658,343 | $1,040,202 | 58.0% |
| Don Mills-York Mills | 7 | 10 | 70 | 573 | $577,452 | $997,256 | 72.7% |
| Downtown Core | 18 | 9 | 2,309 | 637 | $775,179 | $925,211 | 19.4% |
| Downtown East | 21 | 17 | 2,314 | 1,790 | $403,325 | $827,083 | 105.1% |
| Downtown West | 85 | 39 | 2,994 | 3,140 | $536,638 | $836,895 | 56.0% |
| East York | 4 | 4 | 53 | 209 | $526,302 | $524,624 | -0.3% |
| Etobicoke Central | 14 | 10 | 513 | 578 | $424,289 | $532,604 | 25.5% |
| Etobicoke North | 2 | 1 | 72 | 1 | $321,074 | $384,937 | 19.9% |
| Etobicoke South | 12 | 7 | 614 | 788 | $435,438 | $549,856 | 26.3% |
| Etobicoke Waterfront | 16 | 9 | 513 | 420 | $443,848 | $812,299 | 83.0% |
| North York East | 0 | 2 | 6 | 0 | $556,587 | $1,169,480 | 110.1% |
| North York West | 23 | 12 | 911 | 417 | $401,581 | $611,082 | 52.2% |
| Scarborough City Centre | 4 | 0 | 73 | 0 | $379,795 | - | - |
| Scarborough North | 6 | 5 | 320 | 208 | $316,643 | $485,961 | 53.5% |
| Scarborough Southwest | 10 | 5 | 381 | 13 | $364,261 | $597,416 | 64.0% |
| Scarborough Southeast | 4 | 3 | 107 | 86 | $314,748 | $493,459 | 56.8% |
| Sheppard Corridor | 15 | 13 | 426 | 326 | $374,207 | $702,367 | 87.7% |
| Toronto East | 21 | 13 | 254 | 129 | $414,878 | $811,042 | 95.5% |
| Toronto North | 13 | 8 | 416 | 601 | $485,185 | $823,528 | 69.7% |
| Toronto West | 23 | 10 | 565 | 521 | $467,166 | $750,846 | 60.7% |
| Yonge-St Clair | 7 | 9 | 148 | 96 | $904,472 | $1,693,511 | 87.2% |
| Yonge Corridor North | 10 | 7 | 376 | 762 | $500,292 | $654,035 | 30.7% |
| York | 1 | 2 | 21 | 25 | $394,035 | $584,724 | 48.4% |
| **City of Toronto** | **343** | **224** | **14,918** | **14,164** | **$483,973** | **$823,744** | **70.2%** |

**Table 17: New Purpose-Built Rental Unit Market Data, Fourth Quarter 2015 to Third Quarter 2018 by Market Area, City of Toronto**

| | Number of New Rental Projects | | Average Rental Rate for New Rentals | | Price Escalation |
|---|---|---|---|---|---|
| **Market Area:** | Q4 2015 - Q3 2016 | Q4 2017 - Q3 2018 | Q4 2015 - Q3 2016 | Q4 2017 - Q3 2018 | Q3 2015 to Q3 2018 |
| Bloor-Yorkville | 8 | 11 | $2,269 | $2,667 | 17.6% |
| Central Waterfront | 0 | 0 | - | - | - |
| Don Mills-York Mills | 0 | 0 | - | - | - |
| Downtown Core | 11 | 17 | $2,013 | $2,507 | 24.5% |
| Downtown East | 8 | 12 | $1,779 | $2,233 | 25.5% |
| Downtown West | 8 | 8 | $1,824 | $2,333 | 27.9% |
| East York | 0 | 0 | - | - | - |
| Etobicoke Central | 12 | 12 | $1,586 | $1,811 | 14.2% |
| Etobicoke North | 0 | 0 | - | - | - |
| Etobicoke South | 0 | 0 | - | - | - |
| Etobicoke Waterfront | 0 | 0 | - | - | - |
| North York East | 0 | 0 | - | - | - |
| North York West | 0 | 4 | - | $1,950 | - |
| Scarborough City Centre | 0 | 0 | - | - | - |
| Scarborough North | 0 | 0 | - | - | - |
| Scarborough Southwest | 0 | 0 | - | - | - |
| Scarborough Southeast | 0 | 0 | - | - | - |
| Sheppard Corridor | 16 | 19 | $1,788 | $2,035 | 13.8% |
| Toronto East | 0 | 8 | - | $2,514 | - |
| Toronto North | 27 | 36 | $2,283 | $2,592 | 13.5% |
| Toronto West | 6 | 12 | $2,034 | $2,200 | 8.2% |
| Yonge-St Clair | 0 | 3 | - | $4,054 | - |
| Yonge Corridor North | 4 | 4 | $2,063 | $2,460 | 19.3% |
| York | 0 | 0 | - | - | - |
| **City of Toronto** | **100** | **146** | **$1,988** | **$2,380** | **18.3%** |

**Table 18: Purpose Built Rental units Proposed and Under Construction by Quarter, 2015-2019[31]**

| Quarter | Number of Units Under Construction | Number of Units Proposed |
|---|---|---|
| Q4-2015 | 5,401 | 8,302 |
| Q1-2016 | 5,202 | 12,402 |
| Q2-2016 | 5,048 | 16,424 |
| Q3-2016 | 4,676 | 17,420 |
| Q4-2016 | 4,098 | 24,880 |
| Q1-2017 | 4,494 | 25,388 |
| Q2-2017 | 5,058 | 26,288 |
| Q3-2017 | 5,324 | 26,829 |
| Q4-2017 | 6,305 | 27,569 |
| Q1-2018 | 6,915 | 26,757 |
| Q2-2018 | 10,051 | 30,192 |
| Q3-2018 | 10,293 | 31,522 |
| Q4-2018 | 10,543 | 32,241 |
| Q1-2019 | 9,479 | 33,681 |

[31] Data source: Urbanation UrbanRental, 2015-2019

**Table 19: Number of Projects and Units in the Development Pipeline, Second Quarter 2018, by Market Area, City of Toronto[32,33]**

| Market Area | Number of Projects | Number of Units |
|---|---|---|
| Bloor-Yorkville | 48 | 12,952 |
| Central Waterfront | 10 | 15,927 |
| Don Mills-York Mills | 43 | 17,936 |
| Downtown Core | 39 | 21,280 |
| Downtown East | 74 | 30,662 |
| Downtown West | 122 | 41,404 |
| East York | 21 | 4,639 |
| Etobicoke Central | 33 | 9,838 |
| Etobicoke North | 7 | 802 |
| Etobicoke South | 53 | 17,039 |
| Etobicoke Waterfront | 7 | 4,605 |
| North York East | 25 | 2,289 |
| North York West | 99 | 23,715 |
| Scarborough City Centre | 5 | 7,648 |
| Scarborough North | 31 | 14,237 |
| Scarborough Southwest | 56 | 16,611 |
| Scarborough Southeast | 38 | 5,536 |
| Sheppard Corridor | 29 | 14,761 |
| Toronto East | 61 | 5,938 |
| Toronto North | 81 | 21,653 |
| Toronto West | 87 | 22,803 |
| Yonge-St Clair | 25 | 4,014 |
| Yonge Corridor North | 32 | 8,037 |
| York | 43 | 4,365 |
| **City of Toronto** | **1,069** | **328,691** |

[32] Data source: City of Toronto, City Planning Division : Land Use Information System II
[33] The Development Pipeline consists of projects with approval and/or construction activity between July 1, 2013 and June 30, 2018, excluding those projects built prior to the 2016 Census Day. It includes proposals under review, those with their first Planning approval and projects under construction but not yet built. A project is the collection of planning applications having to do with a single site.

# Appendix 2

TORONTO Market Areas Reference Map